Discounters' Sales Up

(Continued from page 1)

total about 30% over July 1979.

Same-store sales at the chain were expected to average a 10% increase in July. Officials said real growth, after inflation is compensated for, will be 4% to 5%.

Zayre president Malcolm Sherman declined to comment on July sales but said he is "hopeful" the economic downturn will be over in early 1981.

Sherman said the chain "got out of summer goods faster and cheaper than in the past" and that initial indications are that winter wear, while "not doing great, is at least doing well."

Sherman said the worst month so far for Zayre was in April when the change from previous years' sales went from a 16% increase in March to a 6% drop. In May, sales gains totaled 6% and in June they rose to 7%.

Pennsylvania-based Murphy's Mart experienced a similar downturn in April when March's 4% sales increase turned to a 2% decrease.

Since then, however, business appears to have improved, though it is still far from the 14% increase recorded in January 1980. In May there was a 4% sales increase over the previous year and in June the increase was 6%.

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
K mart	24%	18%	13%	12%	16%	14%
Woolworth/Woolco	5	12	7	4	7	6
Zayre	15	10	16	(6)	6	10
Wal-Mart	44	37	28	32	31	25
Caldor	28	14	15	15	26	22
Murphy's Mart	14	2	4	(2)	4	6
Sears	3	4	NC	(4)	(4)	(3)
Penney	9	5	2	(5)	3	2
Montgomery Ward	8	2	(3)	(5)	(2)	(1)

Source: DSN Research

Discounters are doing better in the present weak economy than the Big Three department store/catalogers. Discounters are showing smaller increases in sales volume, but the conventionals are showing sales decreases (Sears, Ward) or very minor gains (Penney).

Target's Aim Is to Convert Ayr-Way

(Continued from page 1)

petitors (Wal-Mart, Gold Circle and Venture) with a solid Indiana cluster. The advantages are heightened by the similarity of operations and merchandising techniques used by the two chains. The transition is expected to be an easy one.

In the marketplace, with Ayr-Way's 41 stores (32 of them in Indiana) in its network, Minneapolis-based Target would stretch uninterruptedly across half of Middle America—hitting major metro markets from its Minnesota headquarters to its easternmost market, Memphis. Add to this the chain's announced plans to drive further into the Sunbelt, and Target's brand of aggressive, upscale discounting would become a market force in 16 states by 1981.

For Ayr-Way, the acquisition would spell arrival at the upscale heights of discounting it has been aiming for since Jan. 1, 1977, after Stephens bought the chain from Associated Dry Goods (ADG).

For Stephens, the sell-off would mark a final disenchantment with (discount) retailing.

In 1977, when the investment firm bought the then 28-unit discounter from ADG (forced to divest by a Federal Trade Commission order) Stephens officials thought they had a tiger by the tail.

Being instrumental forces in bringing the Wal-Mart chain public had given them a taste for retailing, recalled John Geisse, former Ayr-Way chairman and the man Stephens executives tapped to make it all happen. "They thought they were going to have another Wal-Mart," Geisse said.

They didn't. The string of 80,000-to-100,000-plus-sq.-ft. stores (a handful average 60,000 sq. ft.) never really delivered, as is apparent in the resale price.

Stephens reportedly paid $20 million for the chain, then pumped another $10 million into it to renovate, expand and remerchandise, according to insiders.

Stephens officials would not reveal what they paid for the chain, nor would they or executives at Target and Ayr-Way comment on the purchase price. They would only say that the takeover would be a cash-only transaction.

"I don't think the Stephens people were prepared for the amount of deficit spending it was going to take to get the chain where we wanted it," Geisse said, looking back on his 18-month stewardship. During that time, the veteran discounter began to push the company toward the upscale style of merchandising he was instrumental in bringing first to Target and then to Venture.

In 1976, salaries, wages and employee benefits increased $4.6 million over 1975, according to the annual report for the year ended Jan. 29, 1977. Advertising costs during the same period rose 0.4% to 3% of sales, and markdowns doubled to 10.1% of sales as the chain closed out old stock.

"The company is being run on a correction-of-errors philosophy," shareholders were told in that report.

Those changes were only the beginning. Eventually all of the stores were remodeled and given the fixturing, earth-tone colors and upscale merchandising presentation that mark them today. Prices also went up as better quality goods were ordered. At the same time, electronic registers were added, warehousing procedures were streamlined and a headquarters staff was culled from discount chains around the country.

In the final analysis, observers say it may be the staff that was the weak link.

"When you look at a successful chain you see a group of people committed to a single idea. With a staff gathered from a variety of backgrounds it's hard to make that happen. They all speak a different language, and that could be the critical difference," said one observer.

Target probably will not have the same problem. Opera-

(Continued on page 82)

Four Lenders to Get Part of Korvettes' Earnings

(Continued from page 1)

25% of Korvettes' future earnings. (See DSN July 14, p. 1.)

Analysis of the information available on the debt restructuring indicates that Korvettes would have to produce about $120 million in profits in the seven fiscal years through 1987 for the four lenders to recover the approximately $31 million in remaining debt.

Trade observers said that while Korvettes could become profitable during the seven-year period, it was highly questionable that it could produce that much profit that quickly, in view of the chain's past losses.

A company executive said that the pending financial statement will show that Korvettes is "a totally different company" that is "financially viable and on its own."

This assertedly is the result of the financial arrangement reached with the major lenders and of a new relationship developed with vendors during a series of meetings held by chairman and chief executive officer Joseph Ris in July with groups of suppliers.

Korvettes' hoped-for favorable response from vendors was evident from one apparel supplier who told DSN that "they have made an agreement with the banks . . . they seem to be making an effort to stay in business . . . they are paying their bills, so we are shipping them."

The vendor acknowledged that there was a period when Korvettes wasn't shipped goods. "Now it's a credit question," he said. "How much do we want to go for? As long as they pay, why not extend credit on our regular terms?"

The arrangement with the lenders and the seemingly successful approach to vendors have raised questions among executives who deal with Korvettes, trade observers and financiers.

An executive with one factoring firm said it was "unlike banks to be so magnanimous; there must be more to it [the agreement]."

The factor, as of the middle of July, had held off credit approval for Korvettes. "I want to see the financial statement," the executive said, noting that his action shouldn't adversely affect the discounter.

"Eighty per cent of the manufacturers aren't factored," he said, "and Korvettes shouldn't have any problem getting merchandise from them."

A DSN check of some Korvettes stores showed that the discounter had been receiving limited shipments of goods, a problem chain executives have previously acknowledged.

Korvettes' parent, Agache-Willot, had attempted to solve this problem in the past by guaranteeing payment to vendors—once even putting up $30 million in guarantees.

Ris said that Korvettes had $15 million advanced by Agache-Willot for trade payments and "we intend to pay our vendors in full," after which goods would be taken only on regular credit terms.

But he added that the French company would no longer guarantee payment of shipments.

A company executive said that Korvettes would become current with its vendors "within 120 days as of July."

Ris detailed the agreement with the lending institutions as involving an immediate 20¢-on-the-dollar payment or $11.4 million; another 7¢ on the dollar or $3.7 million by December 1981, and 15¢ on the dollar or $8.4 million in five years—by December 1985.

The latter also involves payment of $2.5 million in interest, so that Korvettes would pay, $26 million out of a total debt of $57.25 million.

The company executive asserted that that was the sum total of the agreement and that the banks and insurance company didn't have any right to any funds Korvettes will receive from the planned sales of the leases of stores to be closed, and that there weren't any covenants or other controls on Korvettes.

Korvettes and bank officials declined to comment on why the banks and the insurance company made the unusual agreement with the discounter. The lending institutions are the Chase Manhattan Bank, Manufacturers Hanover Trust Co., Bankers Trust Co. and the Prudential Insurance Co.

The Korvettes executive said that the discounter was "talking with the banks about regular credit terms".

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Fauber Pleased

(Continued from page 2)

ample, included a full preppy-look presentation of blazers, slacks and sweaters in black and gray tones.

A 60%-wool Changing Scene blazer in soft charcoal gray at $34.96 and color-coordinated 100% polyester stretch woven slacks at $16.96 were displayed with a black turtleneck K mart-label sweater, 100% acrylic, at $5.57.

A light gray K mart cowl neck sweater (70% wool, 20% angora and 10% nylon) at $14.96 was also shown. The adjacent fixture held more coordinated outfits, and included a 100% wool Changing Scene sweater in complementary maroon at $9.96.

Calvin Klein jeans at $26 a pair—displayed on a combined delta rack next to the "racetrack" aisle—added to the fashion statement.

Mannequins

(Continued from page 3)

Still, the pros outnumber the cons, Walkenspaw said: The silhouettes have an unusual look that attracts shoppers; they are easier to maintain than their bulkier, traditional counterparts, the three-dimensional, flesh-look mannequins; they can easily be positioned near the same merchandise they display, and they complement fixtures.

"They pull together a fashion look, and that attracts a customer. If people don't like them, it hasn't shown in our sales here," she added.

Traditional mannequins are still used in most chains. They have worked for the last 11 years at Caldor, where divisional merchandise manager Henry Borghi uses 12 to 15 mannequins in the lingerie department alone. Mannequins prompt a customer to visualize herself in an item, and help convince her to buy nonbasic, fashion merchandise, he explained.

Borghi uses groups of mannequins and unusual display vehicles, such as home furnishings, along the aisles to draw traffic.

K mart positioned three-quarter-length traditional mannequins on platforms inside circle racks to give a fashion look to its new-model women's apparel department in Lodi, N.J.

Using mannequins to show the total look also sells fashion merchandise at Gee Bee.

Fixture buyer Jim Reed said the rekindled interest in mannequins was due to the fashion emphasis at the retail level and better styling and construction at the manufacturer level.

S. California Discount Chains Fail To Prosecute Nearly 50% of Pilferers

VAN NUYS, Calif.—Nearly 50% of shoplifters apprehended in discount stores are never prosecuted, according to a survey of shoplifting in southern California conducted here by Commercial Service Systems, store security consultants.

While this seems staggeringly high, the statistics are relatively good. The survey, based on 46 discount stores reporting 1,440 shoplifting cases in 1979, revealed apprehended shoplifters are released 69.2% by supermarket officials and 72% by drug store merchants, compared to 45.1% by discounters.

PERCENTAGES—DAY OF THE WEEK

DAY	DISCOUNT (1,440 cases for year)	SUPERMARKETS (14,656 cases for year)	DRUG (4,015 cases for year)
MONDAY	1.9	14.7	13.6
TUESDAY	16.5	14.7	11.6
WEDNESDAY	15.8	14.0	10.4
THURSDAY	17.4	14.0	12.9
FRIDAY	15.2	13.4	16.4
SATURDAY	15.4	12.7	18.2
SUNDAY	15.7	12.7	13.0
NOT INDICATED	2.1	3.8	3.9

"Merchants are extremely discriminating in choosing cases turned over for prosecution," said Roger K. Griffin, manager of CSS's Los Angeles division. He explained that in shoplifting cases intent to steal has to be proved and if a shopkeeper has doubts about this, the offender is usually released.

It's rare when a shoplifter who is pregnant or a woman with children are prosecuted for shoplifting. Yet, women in general don't necessarily escape prosecution.

PERCENTAGES OF APPREHENSIONS PER MONTH

MONTHS	Yr./Total (1,440 cases) Discount (%)	Yr./Total (14,656 cases) Supermarkets (%)	Yr./Total (4,015 cases) Drug (%)
JANUARY	7.0	10.0	7.7
FEBRUARY	7.9	10.3	5.7
MARCH	9.9	11.6	7.3
APRIL	7.8	9.0	6.2
MAY	8.1	8.5	7.0
JUNE	6.4	8.0	7.4
JULY	9.0	7.2	7.9
AUGUST	7.8	7.4	8.5
SEPTEMBER	8.1	5.8	8.8
OCTOBER	7.6	7.9	9.3
NOVEMBER	9.9	6.5	10.8
DECEMBER	9.9	7.1	12.2
NOT INDICATED	0.6	0.7	1.2

Discounters prosecuted 60.3% of the 695 female shoplifters and 46.5% of the 202 female juveniles (under 18 years of age), compared to 49.7% of the males and 35.6% of the boys apprehended.

In the 17 years of the survey, which samples suburban and urban stores, only one consistent factor has emerged. Shoplifting, Griffin said, tends to change only gradually over the years.

Many Boys Caught

Discount merchants apprehend about 60% boys in the juvenile category, yet the distribution between male and female tends to level off in adults with 53.7% females and 45.8% males. There doesn't seem to be any answer as to why boys are caught more often than girls and why those percentages become more evenly matched in adult shoplifters, Griffin said.

Discount stores also had a higher recovery of merchandise per apprehension (4.5%) than supermarkets (3.1%) and drug stores (2.6%). The average value of merchandise recovered per apprehension ran $25.44 in discount stores, compared to $7.37 in supermarkets and $9.07 in drug units.

Thursday Is Bad News

Discounters were hit hardest on Thursdays, with 17.4% of the cases recorded, and during the hours of noon and 3 p.m. and 3 p.m. and 6 p.m. with 34.7%, respectively.

During the 12 months, discount merchants apprehended the largest number of cases in March, November and December, with 9.9% each month.

Purses Hide Loot

The survey also showed that shoplifters concealed stolen merchandise in discount stores more often in purses (29.6%), with shopping bags (15.9%) and "in pocket" (15.6%) of the time. "In purse" was highest for supermarkets (30.6%), while drug store shoplifters more often put merchandise in pockets (29.5%).

Richway's Bodker Adds Responsibility For Men's, Boys'

ATLANTA—Ira Bodker, vice president, merchandise manager at Richway, has assumed responsibility for the men's, boys' and soft home categories. He will, however, continue his present responsibilities for the girls', infants', hosiery and lingerie departments. This is his second promotion since he joined the chain as a buyer in 1971.

1. Legal Pads
2. Red Wallet Envelopes
3. Deluxe Vinyl Binders
4. Home Bookkeeping & Record Systems
5. Executive Vinyl Items
6. Corrugated Files
7. Columnar Books, Pads
8. Clipboards
9. Pad Folios
10. Desk Pads
11. Kraft Envelopes
12. Clasp Envelopes
13. Filing Folders, Expandables
14. Typing Paper
15. Sheet Protectors
16. Letter Guides & Stencils
17. Ledger, Cash & Record Books
18. Scratch & Memo Pads
19. Bill Paying Organizers
20. Index Cards & Guides
21. Forms, Statements, Receipts
22. Telephone, Address & Memo Books
23. Pegboarded Accessories
24. Add/Calculator Rolls
25. Steno Books

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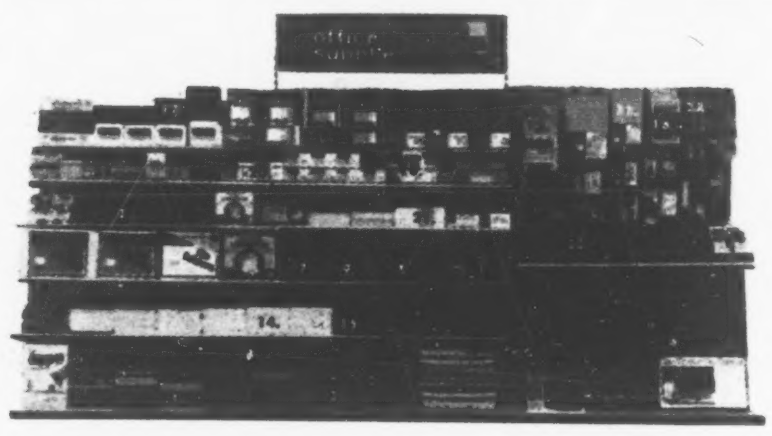

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ELECTRIC HOUSEWARES

STYLER/DRYERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3	Northern 100W	1,064	11.46	12,193.44
2	1	Conair 1250W Vagabond	688	16.63	11,441.44
3	10	Conair 1000W Pro Dryer	796	13.08	10,411.68
4	6	Gillette 1000W Supermax 2	405	19.49	7,893.45
5	8	Northern 1200W compact	736	8.61	6,336.96
6	4	Windmere 1250W Boss	421	13.10	5,515.10
7	14	Norelco 1000W Gotcha Gun	470	11.71	5,503.70
8	9	Northern 1200W	436	10.13	4,416.60
9	—	Northern 1200W mini folding dryer	395	10.35	4,088.25
10	2	Gillette 1200W Supermax	180	22.70	4,086.00
11	7	Clairol 1200W One-for-the-Road	198	20.15	3,989.70
12	5	Conair 1200W Pro Styler w/brush	173	22.06	3,816.38
13	15	Conair 1200W Pistol Power	250	12.46	3,115.00
14	13	Sunbeam 1200W Win-Aire	209	13.36	2,792.24
15	12	Clairol 1200W Shoot the Breeze	113	15.79	1,784.27
16	11	Gillette 1300W Supermax Pro	98	18.15	1,778.70
17	17	Gillette 1400W Supermax Pro	63	21.46	1,351.98
18	16	Windmere 1200W Dry Baby	99	12.09	1,196.91
		TOTALS	6,794		91,711.80

CURLING WANDS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	3	Norelco Wave Maker	768	13.38	10,275.84
2	1	Clairol Crazy Brush	635	13.43	8,528.05
3	2	Gillette Body & Curl	504	14.76	7,439.04
4	5	Northern Pro Styling Brush	962	6.86	6,599.32
5	4	Norelco Curl Q	550	10.30	5,665.00
6	11	Gillette Super Curl Compact	365	13.38	4,883.70
7	6	Clairol Crazy Curl	376	12.09	4,545.84
8	7	Windmere Pretty Curl	642	5.59	3,588.78
9	8	Dazey Beauty Curl	1,252	2.83	3,543.16
10	10	Sunbeam Mist Stick, Swivel Cord	313	8.29	2,594.77
11	12	Windmere Dry Iron	604	4.29	2,591.16
12	13	Northern Pro Iron, chrome	276	4.79	1,322.04
13	14	Windmere Kwik Kurl Wonder Bar	153	3.70	566.10
14	15	Windmere Curling Brush	61	8.73	532.53
		TOTALS	7,461		62,675.33

DRIP COFFEEMAKERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	North Amer Mr Coffee 12-cup w/saver	3,506	39.34	137,926.04
2	2	Norelco 10-cup Dial-a-Brew	3,301	24.46	80,742.46
3	3	Proctor-Silex 10-cup	2,979	19.81	59,013.99
4	4	North Amer Mr Coffee 10-cup	1,199	26.41	31,665.59
5	5	Norelco 10-cup Dial-a-Brew	901	34.85	31,399.85
6	7	Norelco Express 4-cup	637	20.84	13,275.08
7	6	North Amer Mr Coffee 10-cup w/sver	135	37.66	5,084.10
8	—	Bunn-Matic 8-cup	59	40.00	2,360.00
9	8	Regal 4-cup Mini-Drip	148	15.93	2,357.64
10	—	Van Wyck 12-cup Great Coffee	80	15.60	1,248.00
11	9	Hamilton Beach Mini-Drip	74	16.11	1,192.14
		TOTALS	13,019		336,264.89

CAN OPENERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Rival, almond	1,318	10.19	13,430.42
2	2	Waring w/knife sharp, gold	648	13.43	8,702.64
3	3	Rival w/knife sharp, almond	443	11.98	5,307.14
4	4	Rival w/knife sharp, white	232	14.18	3,289.76
5	—	Rival gold	53	10.31	546.43
		TOTALS	2,694		31,276.39

(Continued on page 21)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Manufacturers Add Step-ups For Hot Drips

By Howard Bobroff
President,
Myron Nickman Distributors

A number of drip coffeemaker manufacturers introduced stepped-up models at the housewares show in Chicago last month in the expectation that the appliance will continue to be a strong-selling, basic, kitchen electric.

The Product Movement Audit for the May 27 through June 20 period backed up this expectation as drip coffeemakers were the top small appliance in both unit and dollar movement.

Wake-up Bonanza

Manufacturer's trade-up efforts for drip coffeemakers included such features as electronic controls and timers, the latter designed to have hot coffee ready when a consumer wakes up in the morning.

At the same time, a number of vendors plan to offer sharp rebates on lower-priced, older models. The final price to con-

(Continued on page 21)

Up-'n'-Comers

The following "High Risers" chart lists items (and their rank) that have moved up five or more places from the previously published Myron Nickman Distributors electric housewares PMA.

Category/Item	Rank
STYLER/DRYERS	
Conair 1000W Pro Dryer	3
Norelco 1000W Gotcha Gun	7
Northern 1200W mini folding dryer	9
CURLING WANDS	
Gillette Super Curl Compact	6
DRIP COFFEEMAKERS	
Bunn-Matic 8-cup	8
Van Wyck 12-cup Great Coffee	10
SPECIALTY ELECTRICS	
Presto Hot Dogger	5
SLOW COOKERS	
Rival 5-qt remov linr, almnd	4
Van Wyck 6-qt removable	6
BLENDERS	
Oster 10-speed	4
Waring 8-sp Titan blender	6
CAN OPENERS	
Rival, gold	5

Human Resources Conference Is Set

NEW YORK—The National Retail Merchants Association (NRMA) will sponsor the 1980 conference on Human Resources in Retailing here, Sept. 17 to 19.

Concurrent sessions, roundtable discussions and an exhibition will spotlight topics including personnel problems, the role of retailing in business and changes in the labor market.

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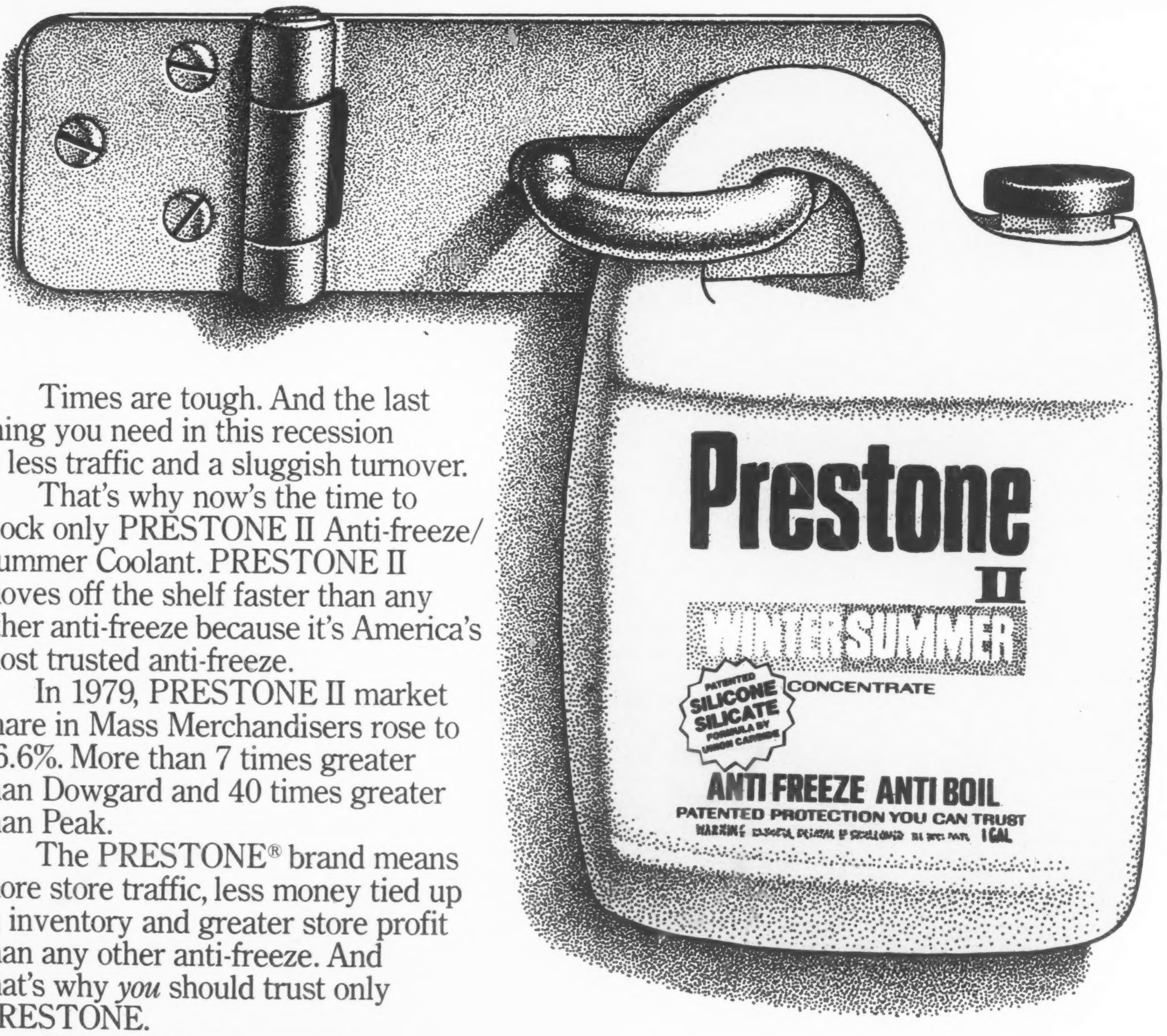
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Discount Store News

PMA

PRODUCT MOVEMENT AUDIT

Hot Drips

(Continued from page 20)

sumers for these models could drop to $13 to $15 with the rebates.

Trade-up efforts were scattered among the other basic electrics. Producers showed new items that included electronic controls for food processors, more lightweight and compact irons, second-generation hot-air corn poppers and styler/dryers rated at 1,400 watts.

Goal Is Refinement

The total effort was toward refinement of basic electrics, rather than major innovations. Manufacturers are holding off the introduction of breakthrough small appliances until the economy improves, and discounters and other retailers are more receptive to making commitments for new items.

The focus on staple small appliances, particularly lower-priced products, was evident in the PMA. Categories such as curling wands and irons, in which lower-priced items dominated, had higher unit movement from more items than did categories such as food processors and stand mixers in which higher-priced models were the standard.

Drip coffeemakers were the one exception as this category includes models that range to $40 as the average retail. Still, a $40 average retail is under the $60 average retail for food processors or the $75 average retail for a stand mixer with a dough hook.

Popcorn Makers Hot

The top kitchen electrics after drip coffeemakers were specialty electrics and then blenders. Hot-air popcorn makers were the key items in the former while the latter's movement was sparked by the availability of low-priced mod-

(Continued on page 66)

K mart Will Issue $200M in Notes

TROY, Mich.—K mart has filed a preliminary prospectus for the issuance of $200 million in K mart notes due July 15, 1985. The New York investment house Morgan Stanley & Co. is handling the public offering.

The proceeds will be added to the general funds of the company to increase working capital through a temporary reduction of short-term borrowing, and will be used for acquisition and development of real estate, including distribution centers and stores. K mart plans the addition of five distribution centers by 1983, making it possible to reach every K mart in one day from one of 11 distribution centers nationwide.

The notes will be issued in denominations of $1,000 or any multiple thereof, with the Chase Manhattan bank acting as trustee. Interest will be paid twice annually.

ELECTRICAL HARDWARE

(Continued from page 20)

SPECIALTY ELECTRICS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Wear-Ever Popcorn Pumper	973	28.59	27,818.07
2	2	Proctor-Silex 4-qt ice cream maker	1,696	13.96	23,676.16
3	3	Presto Popcorn Now	352	31.23	10,992.96
4	4	Presto Fry Daddy	235	24.86	5,842.10
5	10	Presto Hot Dogger	653	5.56	3,630.68
6	5	Hamilton Beach Butter-up Popper	220	14.78	3,251.60
7	7	Mirro Butter/Rite corn popper	331	9.61	3,180.91
8	6	Hamilton Beach Fry All	97	18.80	1,823.60
9	12	Sunbeam Great Amer Popcorn Machine	84	20.31	1,706.04
		TOTALS	4,641		81,922.12

SLOW COOKERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2	Rival 5-qt removable liner, beige	491	25.80	12,667.80
2	1	Rival 3½-qt almond	957	1.29	12,345.30
3	3	Rival 3½-qt removable liner	436	21.04	9,173.44
4	—	Rival 5-qt removable liner, almond	199	21.50	4,278.50
5	5	Rival 3½-qt, flame	339	12.29	4,166.31
6	—	Van Wyck 6-qt removable	66	24.71	1,630.86
7	6	Rival 1-qt Crock-ette	72	11.29	812.88
		TOTALS	2,480		45,075.09

TOASTERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Proctor-Silex 2-slice, Promo	1,048	12.26	12,848.48
2	3	Toastmaster 2-slice, almond	567	12.44	7,053.48
3	2	Proctor-Silex 4-slice, Promo	292	18.26	5,331.92
4	5	Toastmaster 4-slice, dual ctrl wood tone	136	28.34	3,854.24
5	4	Proctor-Silex 2-slice, Pastry	171	16.23	2,775.33
6	6	Proctor-Silex 4-slice, Pastry	82	24.19	1,983.58
		TOTALS	2,296		33,847.03

FOOD PROCESSORS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Hamilton Beach Cuisine Machine	171	60.94	10,420.74
2	3	Hamilton Beach 6-sp food processor	157	58.53	9,189.21
		TOTALS	328		19,609.95

IRONS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Proctor-Silex steam	1,104	12.53	13,833.12
2	2	Hamilton Beach Speed-O-Light II	443	16.20	7,176.60
3	3	Sunbeam Self-clean	168	27.55	4,628.40
4	4	Proctor-Silex stm/spry, slf-cln	194	19.40	3,763.60
5	6	Proctor-Silex steam/spray	215	15.20	3,268.00
6	7	Sunbeam self-clean, promo	144	21.49	3,094.56
7	9	Struhl travel iron	505	5.94	2,999.70
8	8	Hamilton Beach Smart iron	101	29.56	2,985.56
9	6	Sunbeam steam iron, promo	138	12.09	1,668.42
		TOTALS	3,012		43,417.96

STAND MIXERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Sunbeam w/dough hook, white	145	75.13	10,893.85
2	2	Waring 6-speed, 2-way, white	352	20.01	7,043.52
		TOTALS	497		17,937.37

HANDMIXERS

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1	Hamilton Beach 3-speed, gold	1,364	10.28	14,021.92
2	2	Waring 6-speed, white	616	12.89	7,940.24
3	4	Sunbeam 3-speed, white	509	10.73	5,461.57
4	3	Hamilton Beach 5-sp w/case, almd	256	18.60	4,761.60
5	5	Sunbeam 5-sp, Burst Of Power, whi	94	21.40	2,011.60
		TOTALS	2,839		34,196.93

(Continued on page 66)

The Time Is Right.
The Price Is Right.

Now's the time to cash in on a proven recipe for big, big profits. Demand for gasgrills has never been greater. So get Arkla Towne & Country gasgrills into your store. They're made to move. And priced to sell. List price: From $59.95 to $239.95.

And it's good business to buy from the leader. That's right, Arkla is the world's largest manufacturer of gasgrills. We make a quality product at a reasonable price.

You clean up, because your customers don't have to.
More and more people are making the clean break from the mess and the expense of charcoal. That's why you're going to clean up with Arkla Towne & Country gasgrills. They have the features that make cooking out a pure pleasure.

- **Emberview.** A solar-tempered window to see what's cooking without lifting the lid.
- **Ember-Lighter.** For truly matchless starts—instantly.
- **Up-Front Control Center.** It's convenient. It's safe. It couldn't be easier.
- **Arkla LP Gas Gauge.** So your customers can **see** how much gas is in the tank.
- **Limited Warranty.** It's for five years and covers cast-aluminum lids and bottoms.
- **Packaging.** Everything, including LP tank and cart, is in one easy-to-stack carton.

We got it all, so you can sell to all.
A complete line of seven Towne & Country gasgrills. From tabletops for high-rise balconies to big chefs for luxurious family cookouts. And let's not forget the delicious profits you can cook up from Arkla's proven line of accessories.

For more information on Arkla Towne & Country gasgrills, write Arkla Industries, Inc., P.O. Box 534, Evansville, IN 47704.

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Towne & Country
GASGRILLS

Towne & Country

Fittings and valves for
CPVC PLASTIC
NO Torch NO Threading
NO Rust NO Scale

Plastic: New Wave in Plumbing

Plastic and metal plumbing parts are stocked side by side at Woolco. Point-of-sale merchandiser tells shoppers, with illustrations, how easy it is to use the plastic parts. *(DSN photo)*

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Hot Drips

(Continued from page 21)

els with multispeed controls.

Hair care electrics, the other small appliance area tracked on the PMA, continued to show strong movement, due in great measure to the low price tag carried by this merchandise. Of the 18 styler/dryers on the report, 15 had tags under $20.

The curling wand story is similar; of the 14 models, six were in the $10 to $14 range, with the remainder under $10.

Low price has become a key factor in volume sales for discounters and other retailers, and the top-selling items in most of the categories tracked on the PMA demonstrated this.

ELECTRIC HOUSEWARES

(Continued from page 21)

$ Rank Curr. List	$ Rank Prev. List	Item	Unit Movement	Average $ Retail	Total $ Movement
BLENDERS					
1	1	Hamilton Beach 7-speed, almond	1,104	18.85	20,810.40
2	2	Waring 14-speed, almond	724	22.68	16,420.32
3	5	Waring 15-button, white	137	26.24	3,594.88
4	—	Oster 10-speed	147	24.06	3,536.82
5	4	Hamilton Beach 14-sp Blndr Pls, gld	113	29.56	3,340.28
6	—	Waring 8-speed Titan blender	84	18.80	1,579.20
7	6	Oster 10-speed, glass bowl	53	29.18	1,546.54
		TOTALS	2,362		50,828.44

Source: Myron Nickman Distributors

Vornado Discontinues 15¢ Quarterly Dividend

GARFIELD, N.J.—Vornado, parent corporation of the Two Guys discount department store chain, has discontinued its quarterly dividend payment of 15¢ a share.

The dividend payments by the financially troubled chain had been reinstituted last year, in the midst of a proxy battle with Interstate Properties, a real estate investment firm that had been buying Vornado stock.

Interstate had three members elected to the board of directors in 1979, and this year came to an agreement with Vornado management that saw two more Interstate candidates join the nine-member board, giving Interstate (and Steven Roth, a partner in Interstate) control of the board. Roth has moved offices into Vornado's headquarters here, and is receiving the same compensation (almost $500,000) as Fred Zissu, Vornado chairman.

Two Guys recently sold 12 of its stores in the Philadelphia market to Jefferson Stores.

Discount Directory For '80 Published

NEW YORK—The 1980 Directory of Discount Department Stores, with more than 1,400 pages, has been published by Business Guides Inc., a subsidiary of Lebhar-Friedman Inc.

A separate section of the directory this year includes a listing of catalog showroom operators and coordinators. A quick index of the top 50 discount department store chains, ranked by volume, has also been added. Other features include an industry profile that graphs a 10-year pattern, a list of major trade shows (with hard lines and fashion events listed separately) and profiles of each major public chain—highlighting volume, total square footage, sales per square foot, store locations and more.

The directory contains information on 300 chains operating 7,600 stores, 192 leased department operators, 28 catalog showroom coordinators and 379 catalogers with some 1,500 showrooms.

To order a copy of the directory, which costs $110, contact Business Guides Inc., 425 Park Ave., New York, N.Y. 10022, or call 212-371-9400.

Richway's Anderson Upped to VP, MM

ATLANTA—Andrea Anderson, Richway divisional vice president—sportswear, has been promoted to vice president, merchandise manager. She will oversee women's sportswear, ready-to-wear, handbags and accessories in her new position. Anderson joined the discount department store division of Federated Department Stores as a buyer in 1975.

Move over Quaker State.
Move over Pennzoil.

QUAKER STATE
MOTOR OIL
ALL CLIMATE
HEAVY DUTY
VALVOLINE
MOTOR OIL
PENNZOIL
Z-7
multi-vis
MOTOR OIL
Watch For Our Spectacular "Do-It-Yourself" Fall Promotion!

Valvoline's moved up to #1.

In 1979, Valvoline 10W-40 breezed past its two biggest competitors to take honors for the fastest moving motor oil in Discount Store News' 6th Annual Product Movement Audit.

And not only was Valvoline rated #1 in unit movement among ALL automotive products surveyed, it also moved up to third place in total dollar volume as well.

The DSN survey covered 2000 stores in 33 states, discount houses making up the majority. And only three brands of motor oil; Valvoline, Pennzoil and Quaker State were included in the 100-item automotive product list.

Retailers, you know it makes good sense to stock motor oil; now you know it makes the best sense to stock "the movingest motor oil around"—Valvoline!

Valvoline®
The movingest motor oil around.
Valvoline Oil Company Ashland Division of Ashland Oil, Inc.

For more information call: EAST—Bob Harbison (513) 471-0115. WEST—Jack Felty (213) 698-8901.

Hardware Show Section

Discount Chains and Their Customers Move Toward Higher-Priced Goods

Year	Average Dept. Size (sq. ft.)	Sales per Store	Volume per sq. ft.	Annual Turn	Initial Markup	Gross Margin
1973	2,153	$165,781	$ 77.00	3.5	39%	34%
1974	2,353	181,181	77.00	3.5	39	34
1975	3,225	264,450	82.00	3.5	40	36
1976	4,180	187,480	86.00	3.5	43	36
1977	4,450	507,656	114.08	3.3	41	35
1978	3,195	391,291	122.47	3.1	39	34
1979	3,210	426,644	132.91	3.0	41	36

Source: *DSN* Research

Throughout the 70's discounter hardware departments made substantial gains.

Sales per square foot rose by more than 70% during the period while average sales per store jumped more than 150% to $426,644.

Department size, after fluctuating over the course of the decade, seemed to settle at an average size of about 3,000 sq. ft.—a 50% increase over their size in the early 70's.

More significantly, the sales gains occurred during a period when initial markups and gross margins remained fairly stable. This is evidence that both discounters and their customers are moving away from low-end product lines and toward better-quality, higher-priced goods.

Security, L&G Are Strong

(Continued from page 23)

components for extensive rewiring jobs, but rather the basics—most notably extension cords which are at their peak during the summer. (However, some discounters are concerned that a new safety ruling passed late last year could hurt sales. Manufacturers are raising prices to offset the cost of voluntarily complying with a new U. L. recommendation to improve the safety of the product.)

In other categories, such as power tools, sales performance was under par. Many discounters continue to report that Black & Decker is still not sending them the promotional tools they need to stimulate sales in the category.

Another area that has been directly impacted by the downturn in the economy is vendor relations.

Manufacturers coming to the hardware show this year expected discounter pressure to be brought to bear on them in areas such as dating, terms and pricing. Vendors also expected to see their customers shopping the show more carefully than ever, before shaking hands on deals this year. "Retailers are too concerned with inventory levels to buy the way they have in the past," was a sentiment shared by many suppliers.

Putting on Pressure

"We're already hearing more requests for both quantity and price breaks," reported Bob Markwart, advertising manager for the Chamberlain Manufacturing Corp. "Retailers are working on tighter budgets than they have in the past, and they are certainly avoiding stockpiling goods."

Accordingly, the company is devising new programs for the year that have been arrived at "strictly because of the economy." However, he pointed out: "We're going to be careful about extending dating. When we offer our customers 90 days it costs us a lot more to carry it."

Other manufacturers are paying closer attention to the demands of the do-it-yourself (and the mass merchandise) marketplace and are repackaging lines to give retailers more of a hand on the sales floor.

"We've repackaged our line to hone in on the DIY market," said Joe Goloversic, advertising manager for Gibson-Holman, a manufacturer of caulks, sealants, and decorative products. The new packaging will be some of what the company is hoping will stimulate sales.

"We're getting better at it," he said, referring to the company's industrial history. "We recognize the best way for anyone to sell our product is for it to tell the whole story in a single glance."

2nd-Quarter Net Drops At Service Merchandise

NASHVILLE—Service Merchandise's second-quarter net income dropped 8% to $4,008,000 on a 16% increase in sales, compared to the same period last year.

Sales for the quarter ended June 30, 1980, were $179,500,000, up from $154,700,000 in 1979.

Sales for the first half increased 26% over the previous year's. Net income for the six-month period, however, declined 19% to $3,034,000.

Irizarry Joins Mars

NEW BEDFORD, Mass.—Julian Irizarry is the new buyer of ladies' dresses, sportswear and coats at Mars Stores.

A textile specialist, he has been with Anderson-Little, J. P. Stevens and United Merchants. The appointment is part of a long-range plan at the chain to improve personnel and sales performance. In 1979, sales increased 22%.

Zayre's Silver Resigns

FRAMINGHAM, Mass.—Lee Silver, senior vice president and director of personnel at Zayre, has resigned to open his own personnel consulting business.

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You are cordially invited to meet with our Garden Hose Sales Staff in Booth 2614 at the National Hardware Show.

This will be, we feel, an unsurpassed opportunity for you both in potential sales and profitability.

Please consider yourself my personal guest.

John R

John R. Lindsay
Senior Vice President
Swan Hose Division

Hardware Show Section

HARDWARE

These figures, for the most recent 30-day period available, were supplied by Hardware Distributors, Secaucus, N.J., and cover 350 stores, including 141 discounters, in 20 states east of the Mississippi. Average retail prices listed by the distributor reflect typical price points for discount clients.

ELECTRICAL WIRING DEVICES

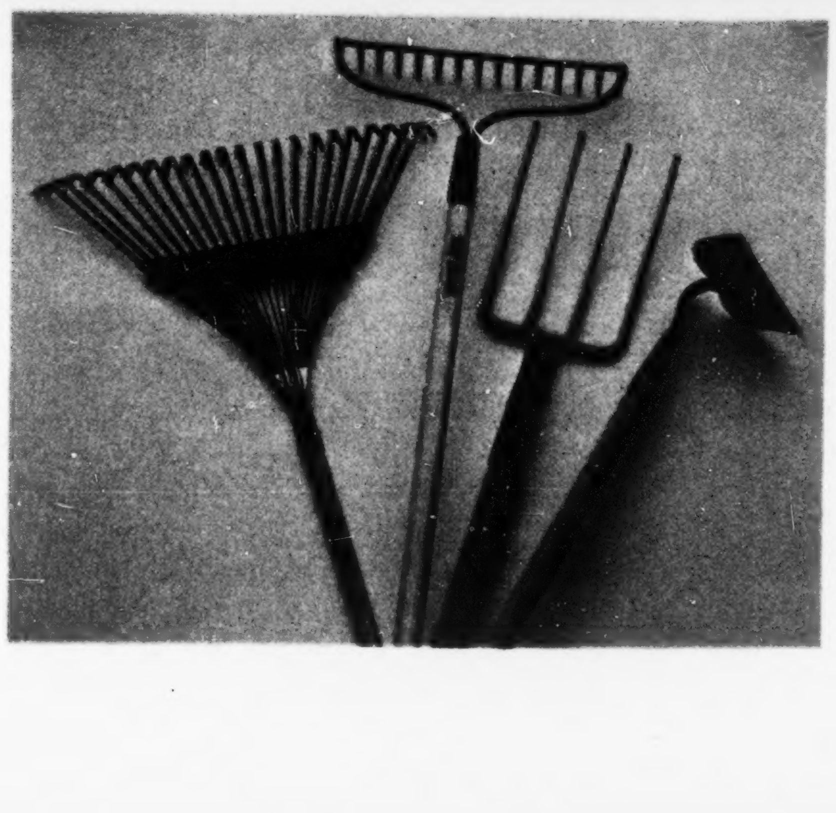
$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	03302 16/3 100 ft Rd Oran	1,125	19.99	22,488.75
2	3/4x60 ft PVC U/L Electric.	16,880	0.99	16,711.20
3	03354 16/3 50 ft Rd Orang	1,416	10.99	15,561.84
4	J-51 51 Element TV Anten	83	69.99	5,809.17
5	Solid State Rotor MR-2	74	59.99	4,439.26
6	Romex Wire 14/2 50 ft UF	315	12.99	4,091.85
7	03752 16/3 50 ft Flat Orn	336	10.49	3,524.64
8	G-26 26 Element TV Anten	61	49.99	3,049.39
9	DR600RC Rotary Dimmer U	576	4.99	2,874.24
10	10243GBC Dplx Snap Cover	696	3.99	2,777.04
11	10382LBC 2 Lampholders W	336	7.79	2,617.44
12	Ind. Ant 12 Posit Gem-20	164	14.99	2,458.36
13	03151 16/2 50 ft Rd Orang	240	9.99	2,397.60
14	7445-25 18/3 Trouble Lit	216	10.99	2,373.84
15	G-12 12 Element TV Anten	99	21.99	2,177.01
16	22707 Nitelite Ivory	1,260	1.69	2,129.40
17	TV Wire Foam 100 ft TVF	270	7.79	2,103.30
18	10330BC Lamp Holder	696	2.99	2,081.04
19	03727 16/3 25 ft Flat Orn	312	6.49	2,024.88
20	G-18 18 Element TV Anten	63	31.99	2,015.37

PLUMBING

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	14206 6 in Force Cup w/21	1,056	1.69	1,784.64
2	1600 Toilet Tank Repair	222	7.99	1,773.78
3	1422 Super Plunger	360	3.99	1,436.40
4	1501 3-1/2 in Basket Strai	606	2.19	1,327.14
5	1725P 25 Power Rooter	58	19.99	1,159.42
6	2511 1½ in x 12 yrd Duct T	396	2.79	1,104.84
7	1408 Plumbing Repair Kit	456	2.29	1,044.24
8	2510 Dryer Vent Kit	126	7.99	1,006.74
9	1801 6 ft Washing Machine	216	4.29	926.64
10	700N Snap Coupler w/Aera	124	7.29	903.96
11	20903 1½ in J-Bend/Kitc	180	4.99	898.20
12	1601 Plastic Ballcock	168	5.29	888.72
13	4224 Sink Spray w/4 ft Ho	110	7.49	823.90
14	1715E 15 ft ¼ in Drain A	204	3.99	813.96
15	360 Executive Shower Hea	162	4.99	808.32
16	26300 Tub Seal White	444	1.79	794.76

(Continued on page 37)

OUR REPUTATION HAS LASTED BECAUSE OUR TOOLS HAVE.



Your customers want tools that work as hard as they do. That's why so many people buy True Temper. We've been making long-lasting tools since 1835. They last long because we put more into them than just our reputation.

Take our DLR Dynalite® dirt shovel. The blade is made of temper-forged, high-carbon steel for strength and durability. And it has a Fire-Hardened® ash handle to last longer. With a knob-end for a better grip.

You'll find the same high quality in all of our other tools. So you can carry and sell the full True Temper line with confidence. And have a lasting reputation in spades.

TRUE TEMPER®
Even when they get old, they work like new.

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Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Stay-at-Homes Are Targets of Seasonal Push

SECAUCUS, N.J.—Seasonal promotions headed the list of best-sellers in the latest monthly PMA from Hardware Distributors, based here.

In the lawn and garden category, Melnor's Pulsating (watering) Spike was a favorite promotion item for discounters. Unit volume was up considerably as discounters responded to stay-at-home consumers' demand for home-and-lawn care products.

The movement of more lawn chemicals and fertilizers onto the chart was another sign of consumers saving gas by remaining home this summer.

In glues, lubricants and adhesives, Krazy Glue continued to hold the top spot. Second, third and fourth positions, which regularly change hands among Eastman Adhesive, Woodhill's Super Glue and

(Continued on page 37)

New Calif. Law May Up Biz in Smoke Alarms

Nationwide DSN Report

Sales of smoke alarms—at one time a red-hot hardware-department item—have been cool for awhile. Even with steady retailer promotion and manufacturer rebate support, the item ceased to be an endcap star quite a while ago.

New legislation in southern California, however, may recall the item from side-aisle obscurity—at least temporarily.

"We're running an ad now to capitalize on the new law," reported Steve Moskowitz, buyer at The Treasury. Moskowitz anticipates that the new law, which requires Los Angeles landlords to install smoke detectors in multiple dwellings when they make more than $1,000 worth of improvements, will substantially boost sales from their current steady, but not exciting, levels.

"Generally, we have to promote smoke alarms to get them to move," explained Ben Bowen, a buyer with Rasco Stores, "even with the current rebate structure." But Rasco expects the new law to make a difference in the chain's L.A. stores.

Elsewhere in the country, however, business is flat.

"Sales in that category have plateaued," reported a Murphy's Mart buyer. "One of our competitors recently offered a name-brand product at $11.88—

(Continued on page 39)

Hardware Show Section

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Stay-at-Homes

(Continued from page 36)

Super Glue Gripper, showed that both dollar and unit volume were up considerably—a real gain, rather than the dollar split often seen in the category.

Supply problems with Black & Decker continued to keep power-tool sales depressed and forced discounters to scramble for other promotables.

One hardware category that

(Continued on page 38)

HARDWARE

(Continued from page 36)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
17	12013 Lucite Handle Set	186	3.99	742.14
18	1306 Faucet Wrench	114	6.29	717.06
19	20010 ⅜ in Angle Stop	192	3.69	708.48
20	20901 1½ in P-Trap-Kitc	83	7.99	663.17

SEASONAL

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	10x25 ft Wind/Door Insul	72	7.49	539.28
2	OS-12 Elect Outlet Sealer	120	1.59	190.80
3	17 ft Tblr Vnl Gasket V-1	48	1.49	71.52
4	AC5 20x28x30 in A/C Cover	12	4.19	50.28
5	E-3 30 ft Rope Caulk Mort	40	0.99	39.60
6	3/4x17 Plstc Foam TP L34	24	1.49	35.76
7	5/16x10 Spng Rub Taper 53	24	1.39	33.36
8	3/16x10 Song Rub Taper 33	24	1.19	28.56
9	S258/17 ft Felt Wthrstrp	36	0.69	24.84
10	42 in A/C Wthrstrp Fm AC4	24	0.99	23.76

BULBS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	FC12T9/SW 12 in Dia Soft	360	9.90	3,564.00
2	F20T12/SW 24 in Soft White	666	3.80	2,530.80
3	50/150 3-Way Med Soft-Wh	1,368	1.75	2,394.00
4	30/100 3-Way Med Soft-Wh	1,344	1.75	2,352.00
5	F40CW 48 in Fluorescent	756	3.10	2,343.60
6	40A/W Soft-White 4/Sleev	2,736	0.85	2,325.60
7	60A/W Soft-White 4/Sleev	2,400	0.85	2,040.00
8	FBS25/WX 25 in Bright Sti	126	15.95	2,009.70
9	15A/W Soft-White 2/Sleev	1,752	0.92	1,611.84
10	40A15 Appliance Inside F	1,584	0.99	1,568.16
11	150Par/FL Outdoor Floodl	276	5.65	1,559.40
12	50/250 3-Way Med Soft-Wh	732	2.10	1,537.20
13	7C7/W Nite Lite White 2	984	1.38	1,357.92
14	F15T8/SW 18 in Soft White	318	4.15	1,319.70
15	4C7 Nite Lite Clear 2/CD	972	1.30	1,263.60
16	FC8T9/SW 8 in Dia Soft Wh	132	9.20	1,214.40
17	25A/W Soft-White 2/Sleev	1,320	0.92	1,214.40
18	75Par/Fl Outdoor Flood	216	5.45	1,177.20
19	75A/W Soft White 4/Sleev	1,344	0.85	1,142.40
20	75R30/Fl Indoor Floodlig	240	3.75	900.00

POWER TOOLS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	7308 7¼ in Circ Saw	192	37.99	7,294.08
2	7504 Jig Saw	425	14.99	6,370.75
3	HP535 5 Gal Jet Vac Wet/D	48	69.99	3,359.52
4	7404 Finishing Sander	99	21.99	2,177.08
5	7300 5½ in B&D Saw	65	27.99	1,819.35
6	P30 Pedestal Sump Pump 1	19	89.99	1,709.81
7	7190 ⅜ in VSR Drill	40	29.99	1,199.60
8	7104 ⅜ in Drill	62	16.99	1,053.38
9	PR 19 18 in Belt Sander BL	17	59.99	1,019.83
10	U16 Utility Sump Pump	17	59.99	1,019.83
11	58099 2½ in Conversion	50	17.99	899.50
12	58073 1¼x6 ft Repl Hos	132	5.59	737.88
13	HP1030 10 Gal Jet Vac Wet	8	89.99	719.92
14	58081 Cartridge Filter	150	4.59	688.50
15	58078 1¼ in Crevice TO	126	2.39	301.14
16	7580 VS Jig Saw ⅓ HP V	10	27.99	279.90
17	58067 1¼ in Round Brus	138	1.89	260.82
18	21C Wen Pencil Engraving	30	8.49	254.70
19	58071 1¼ in UPH Nozzle	132	1.89	249.48
20	58057 1¼ in Ext Wands	88	2.39	210.32

(Continued on page 38)

Outdoor Power Gear Shipments Go Up 4.7%

WASHINGTON—Manufacturers' unit shipments of outdoor power equipment increased 4.7% in the eight months ended April 30, 1980.

However, that figure is not expected to change much by Aug. 31, according to a spokesman for the Outdoor Power Equipment Institute, who pointed out that shipments peak in April and then are little more than a trickle in the final months of the year. (Years are measured according to manufacturers' shipping season: September to September.)

A breakout of the data showed that walk-behind mower shipments were up 4.5% to about 4.5 million units compared to a 6.7% increase to 4.3 million in 1978-79.

Lawn tractor and riding mower shipments increased only 3.6% to 643,000.

Front-engine model shipments increased 4.3% to 386,000 from 370,500 units the previous year.

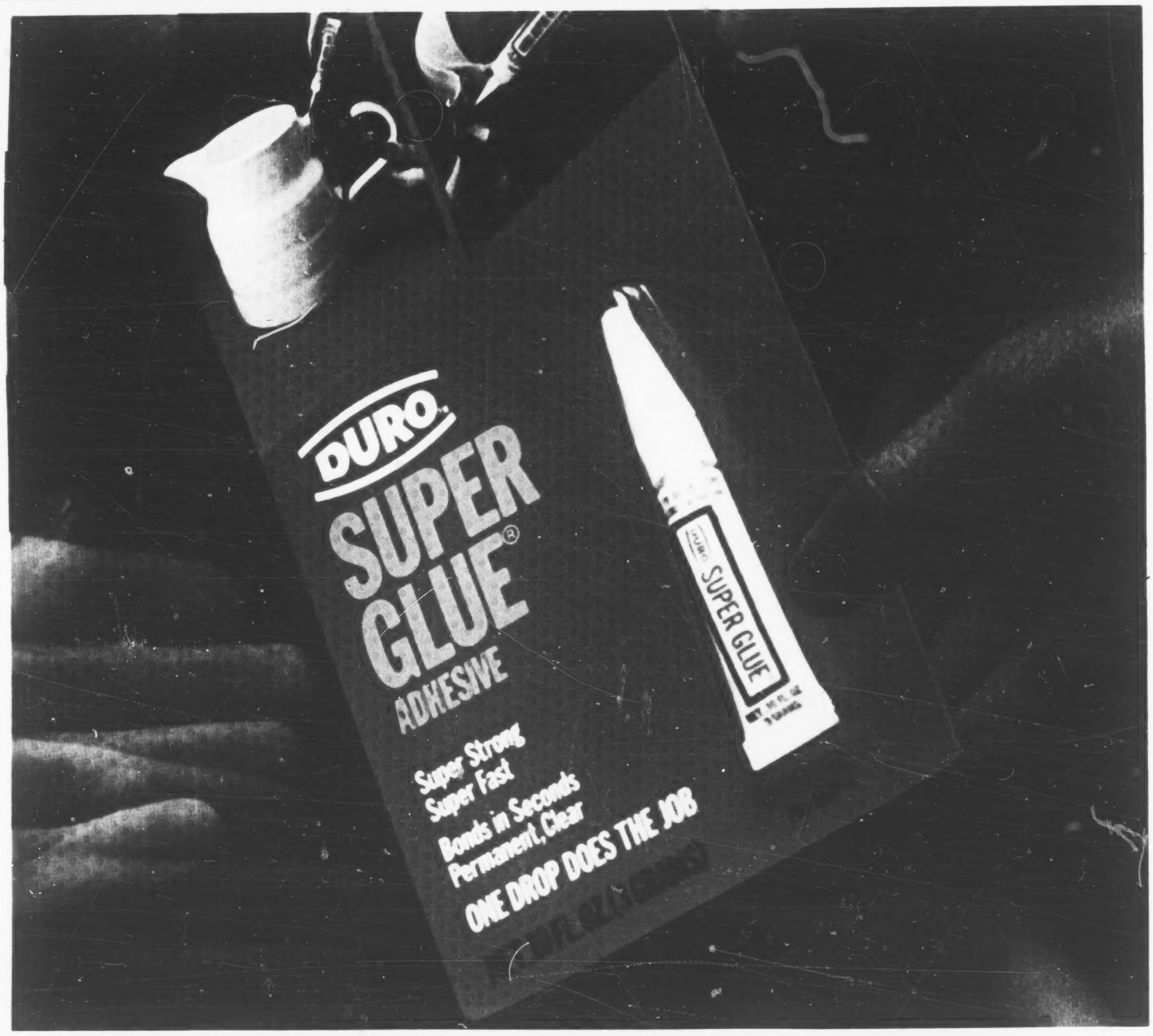
Garden tractor movement, which increased moderately in recent years, decreased 3.3% to 178,500 units from the previous year's 184,600.

Rotary tiller shipments experienced the only substantial increase—up 11% to 530,000 units. Last year the category showed a 0.6% decline with only 478,000 units shipped.

The institute spokesman stressed the figures were estimates, but added: "The industry is in the middle of a severe recession that was helped along by last winter's snow-blower disaster." He was referring to the virtually snow-less season which forced retailers to carry over seasonal goods.

Then manufacturers made deals with retailers who otherwise could not have been able to afford to buy spring inventories.

But spring was either unseasonably dry or wet in most parts of the country, he said, bad news for power lawn and garden equipment purveyors.



Duro™ Super Glue® adhesive outsells the competition and we can prove it.

Instant glue is one of your best profit makers, and Duro Super Glue has discovered a way to make it even more profitable.

It's as easy as stocking more Duro Super Glue and here's proof:

According to independent Audits and Surveys research, stores that sell Duro Super Glue adhesive sell more of it than any instant adhesive. By as much as 20% more.

Your customers prefer Duro Super Glue adhesive. And, this year we will reinforce that preference with a tough, persuasive television program, dealer tagged, in the major U.S. markets. And national advertising in Good Housekeeping.

Give your customers what they want…the original…Duro Super Glue adhesive. And get what you want…bigger glue profits. Ask your Woodhill Permatex representative to show you his Audits and Surveys proof. Or call toll free 1-800-321-9188.

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DURO™
SUPER GLUE

Woodhill Permatex
a Loctite Corporation division

18731 Cranwood Parkway, Cleveland, Ohio 44128
(216) 475-3600

Hardware Show Section

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Stay-at-Homes

(Continued from page 37)

did attract retailer attention during the month was padlocks. Sales of those items, which historically begin to build during this period, accounted for more than half of the unit movement shown on the entire security hardware PMA. Demand for these bike and school-locker padlocks should die down again later in the summer.

There is an indication that plastic plumbing materials are coming on better than galvanized ones, although consumers are still showing some resistance to plastic. The products are cheap, flexible and less shrouded by mystique than other forms of plumbing materials.

In electrical items, the 100-

(Continued on page 39)

Schottenstein's Converts Last 2 Of 7 Mason's

COLUMBUS, Ohio—Schottenstein's at presstime completed its conversion of seven former Mason's by opening Value City stores in two ex-Mason's in Erie, Pa.

The move boosted the Value City count to 22 stores, with a 120,000-sq.-ft. unit planned for next year in Columbus that will give the chain three units in its home base.

Schottenstein's also operates a Concord City store in Dayton, Ohio, an Elyria City unit in Elyria, Ohio, and leased ladies' and men's wear departments in the two remaining Valley Fair units in New Jersey in Irvington and Little Ferry.

The conversion of the 70,000-sq.-ft. and 55,000-sq.-ft. Mason's in Erie followed the remake of the 72,000-sq.-ft. Mason's in Johnstown, Pa., in early July and the 70,000-sq.-ft. Mason's in Newburgh, N.Y., in June.

Schottenstein's last year acquired Mason's parent, M. H. Fishman, which was in Chapter XI, and proceeded to sell the Fishman variety stores and 16 of the 23 Mason's discount stores.

The other Mason's converted to Value City are in Ottawa, Ill., Hanover, Pa., and Danville, Va.

The conversions involved more than 500,000 sq. ft. of space and resulted in installation of the Value City layout, which features a 70% soft goods to 30% hard lines mix. Apparel is spotted in the center of the store and on either the right or left side, with hard lines in the remaining perimeter area.

Two Value City stores are due to be refurbished this year.

HARDWARE

(Continued from page 37)

HAND TOOLS

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	28499A Knife w/Retract B	846	3.49	2,952.54
2	Y25 ¾x25 ft Yel Mexurlo	188	12.49	2,348.12
3	X46 6 ft Wood Extension R	226	8.99	2,031.74
4	T50 Staple Gun Tacker	93	19.99	1,859.07
5	JT 21 Junior Staple Gun	179	9.99	1,788.21
6	C55 5 Blades Nest of Saw	174	9.99	1,738.26
7	8 in Adj. Angle Wrench 8	270	5.99	1,617.30
8	5 pc Comb Wrench Set	324	4.99	1,616.76
9	HK18 18 pc Hex Key Wrench	540	2.99	1,614.40
10	1474 6 pc O/E Wrench Set	260	5.99	1,557.40
11	ST1 ½A 16 oz Rip Stlmst	124	12.49	1,548.76
12	Sngl Bit Axe 32 in Hndl	90	16.99	1,529.10
13	Half Hatchet Plumb 2962	92	15.99	1,471.08
14	X226 6 ft Folding Wood Ex	144	9.99	1,438.56
15	H1 ½ 16 oz Claw Steel	144	9.99	1,438.56
16	PL12 12 ft Powerlock Tape	198	6.99	1,384.02
17	7218 16 oz Stl Claw Hamme	198	6.99	1,384.02
18	1374 6 pc Comb Wrench Set	208	6.49	1,349.92
19	299 Utility Knife w/Blade	678	1.99	1,349.22
20	1373 6 pc Mtrc Comb Wrnchs	175	7.49	1,310.75

HARDWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	ST 15 Mailbox RFD 1½ G	199	14.99	2,983.01
2	2 in x 10 yd Duct Cloth	1,584	1.29	2,043.36
3	ST10 Mailbox RFD 1 Galv	248	6.79	1,683.92
4	HC571A3 Coat/Hat Hook 31	1,080	1.29	1,393.20
5	RK10 RFD 1 Mailbox Kit	63	21.99	1,385.37
6	BP40 Appliance Dolly	288	4.49	1,293.12
7	Grey Shelf Brackets 10x1	1,296	0.99	1,283.04
8	AL10 Mailbox RFD 1 Alumi	105	10.99	1,153.95
9	ST10B Mailbox RFD 1 Blac	158	7.29	1,151.82
10	8BL 5x7 in Shelf Brkt Pr	324	3.49	1,130.76
11	Shelf Bracket 8x10 Gray	1,632	0.69	1,126.08
12	MPX Mouse Traps Twin-Pac	1,260	0.89	1,121.40
13	Thumb Tacks White Head	3,072	0.34	1,044.48
14	B701 4 yd Carpetak Cloth	660	1.49	983.40
15	Child Safety Latch	324	2.89	936.36
16	MM2 96 pc 1 in Letters & N	840	0.99	931.60
17	SK980AC Pushbutton latch	116	7.59	880.44
18	507 8 in Bracket Walnut	588	1.49	876.12
19	Brown Cork Board 12x24 8	293	2.99	876.07
20	512 10 in Bracket Walnut	516	1.69	872.04

GLUES, LUBRICANTS AND ADHESIVES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	G200BX Krazy Glue 2 Gram	6,780	1.59	10,780.20
2	NO910 Eastman Adhesive	1,644	1.79	2,942.76
3	GM1 Gluematic Pen	744	3.79	2,819.76
4	SUP1 Super Glue 3 Gram TU	984	1.69	1,662.96
5	Gripper Super Glue SGH	1,627	0.99	1,610.73
6	401 6 oz Acrylic Caulk Wh	708	1.89	1,338.12
7	Weldit Cement 1½ oz	960	1.19	1,142.40
8	Tub Seal GE 2561 71D	370	2.99	1,106.30
9	Clear Seal GE 2562 01DP	360	2.99	1,076.40
10	8596 ¼ lb Can Plas Wood	756	1.29	975.24
11	500 Gen Purpose Glue 14	614	1.49	929.76
12	WD-40 9 oz Can Lubricant	372	2.39	889.08
13	G20013 Foxy Poxy Epoxy G	420	1.79	751.80
14	700 Electric Glue Gun U	70	9.99	699.30

(Continued on page 39)

What 40 million people have been waiting for. A glue that works where others fail.

NEW TECHNOLOGY
LOCTITE
DURO
DEPEND
NO MIX Adhesive
• Out-performs ordinary glues.
• Works on oily and porous surfaces
• Durable water resistant
• Epoxy strong
• Bonds in 60 seconds
DEPEND
DEPEND

New Duro™ Depend® is the newest concept in adhesives. A solution to many of the problems that keep 40 million potential customers out of the glue market. Add new Depend to your line, tap that vast new market, and increase your glue sales.
Depend out-performs ordinary glues in seven important ways.

Hardware Show Section

HARDWARE

(Continued from page 38)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
15	2902 Instant Vinyl	360	1.89	680.40
16	TPX5 E-Pox-E Glue Clear 3	396	1.69	669.24
17	PR1 Plastic Rubber Black	420	1.59	667.80
18	LS1 Liquid Steel Filler	444	1.49	661.56
19	8597 1 lb Can Plastic Woo	216	2.99	645.84
20	E810 Contact Cement 1 oz	708	0.89	630.12

LAWN & GARDEN

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	9535 DLX Pulsat Spike SP	1,980	13.99	27,700.20
2	1834 ½ gal Ortho-Klor 4	894	21.99	19,659.06
3	5001 Jobes Houseplant SP	15,606	0.99	15,449.94
4	69 Oscillating Sprkler 2	612	11.99	7,337.88
5	3630 Ton/Veg Dust 10 02	1,452	3.99	5,793.48
6	2561 1 lb Diazinon Soil D	1,548	3.49	5,402.52
7	8 PS Quick-Fix Hose Mende	2,980	1.59	4,738.20
8	1761 1 pt Diazinon	576	7.29	4,199.04
9	400C Stop-N-Flo Hose Val	840	4.59	3,855.60
10	313S Y Shut Off Coupling	1,450	2.39	3,465.50
11	1100 Hornet/Wast Jet Spr	840	3.99	3,351.60
12	⅝ x 50 ft Nylon Reinfc	342	7.99	2,732.58
13	⅝ x 50 ft Hi Pres Rubb	264	9.99	2,637.36
14	302G 3 gal Spray-Doc Spr	100	24.99	2,499.00
15	½ x 50 ft 100 Vinyl	610	3.99	2,433.90
16	152G 1½ gal Spray Doc	100	22.99	2,299.00
17	½ x 50 ft Nylon Reinfc	366	5.99	2,192.34
18	⅝ x 50 ft 4 Ply All Weat	240	7.99	1,917.60
19	850 Dial A Matic 2 Arm S	132	11.99	1,582.68
20	505S Brass Hose Nozzle	570	2.39	1,362.30

SECURITY HARDWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	Entry Lock Set SunrayBR	379	13.99	5,302.21
2	1500D Combination Padloc	1,260	3.49	4,397.40
3	7D 1 in Laminated Padlock	564	4.29	2,419.56
4	LW5 Entrance Lock Set BR	160	3.49	2,398.40
5	1301 Rim Night Latch	366	6.29	2,302.14
6	1302 DBL CYL Deadlock	198	10.99	2,176.02
7	Entry Lockset Impresa AN	143	14.49	2,072.07
8	1303 Sing Cyl Deadlock	216	8.49	1,833.84
9	500D 1.75 in Warded Lam P	720	2.49	1,792.80
10	Entry Lockset Eleganti	119	14.49	1,724.31
11	Deadbolt Dble Cylinder B	90	16.99	1,529.10
12	22D 1.5 in Warded Lam Pad	660	1.99	1,313.40
13	1315 Rim Repl Cylinder	400	2.79	1,116.00
14	906 1½ in Padlock Bras	430	2.59	1,113.70
15	Deadbolt Sngl Cylinder B	81	12.49	1,011.69
16	BD1690 45MM Comb Padlock	456	2.19	998.64
17	1½ in Lam Padlock	384	2.59	994.56
18	SK28 Chain-Dor-Loc w/Key	149	6.49	967.01
19	10D 1 in Warded Lam Padlock	588	1.49	876.12
20	BL592 1⅝ in Die Cast P	588	1.49	876.12

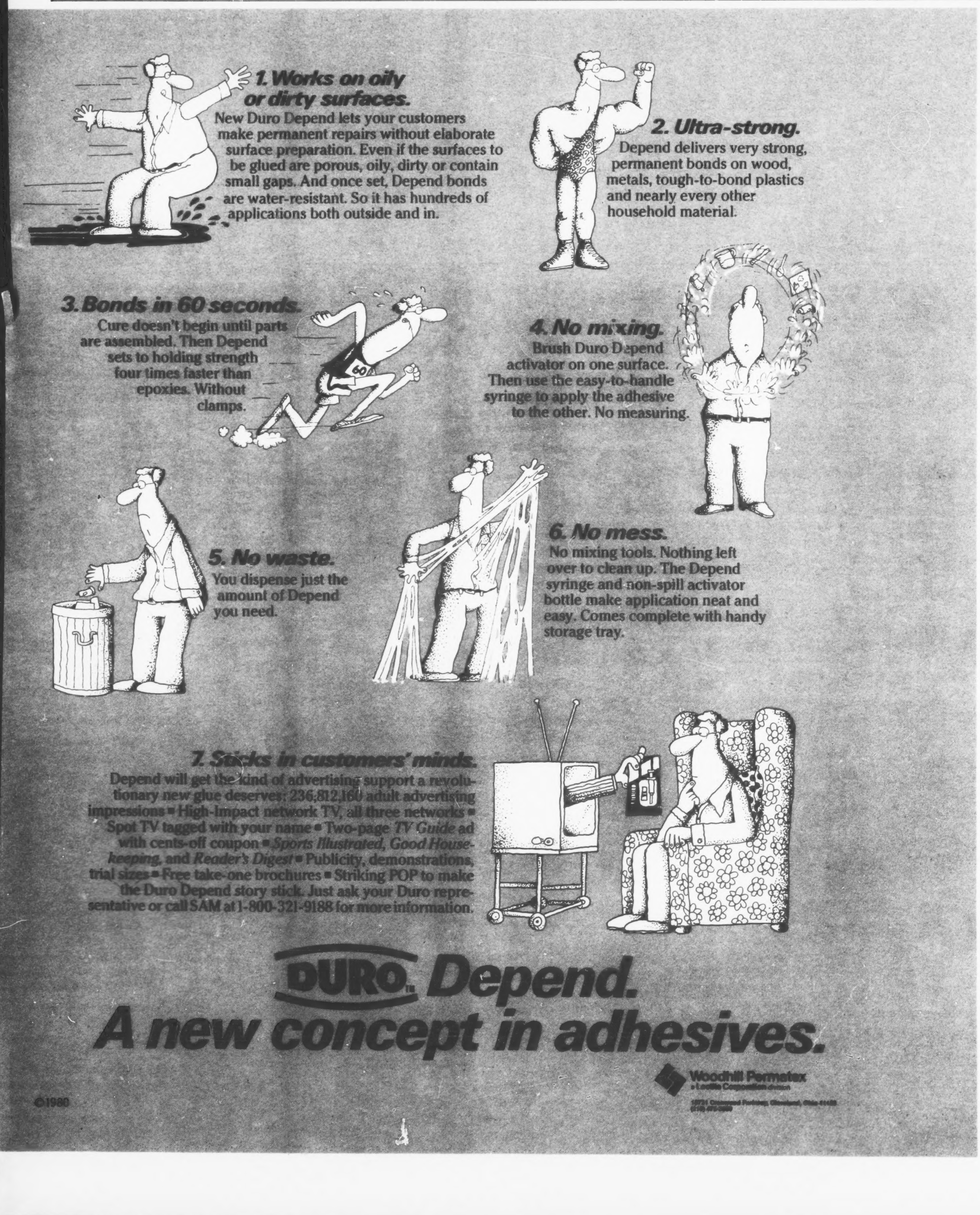
Source: Hardware Distributors Inc.

DIY Is a Rising Star at Gibson's

SEAGOVILLE, Tex.—The do-it-yourself trend has become a tidal wave at Gibson's.

Sales of electrical items now account for an average of $60,000 of each store's annual sales—a figure that is rising 25% each year, according to a chain buyer.

Plumbing sales, which last year accounted for $25,000, are rising at the rate of 10% a year.


1. Works on oily or dirty surfaces.
New Duro Depend lets your customers make permanent repairs without elaborate surface preparation. Even if the surfaces to be glued are porous, oily, dirty or contain small gaps. And once set, Depend bonds are water-resistant. So it has hundreds of applications both outside and in.

2. Ultra-strong.
Depend delivers very strong, permanent bonds on wood, metals, tough-to-bond plastics and nearly every other household material.

3. Bonds in 60 seconds.
Cure doesn't begin until parts are assembled. Then Depend sets to holding strength four times faster than epoxies. Without clamps.

4. No mixing.
Brush Duro Depend activator on one surface. Then use the easy-to-handle syringe to apply the adhesive to the other. No measuring.

5. No waste.
You dispense just the amount of Depend you need.

6. No mess.
No mixing tools. Nothing left over to clean up. The Depend syringe and non-spill activator bottle make application neat and easy. Comes complete with handy storage tray.

7. Sticks in customers' minds.
Depend will get the kind of advertising support a revolutionary new glue deserves: 236,812,160 adult advertising impressions ■ High-Impact network TV, all three networks ■ Spot TV tagged with your name ■ Two-page *TV Guide* ad with cents-off coupon ■ *Sports Illustrated, Good Housekeeping,* and *Reader's Digest* ■ Publicity, demonstrations, trial sizes ■ Free take-one brochures ■ Striking POP to make the Duro Depend story stick. Just ask your Duro representative or call SAM at 1-800-321-9188 for more information.

DURO™ Depend.
A new concept in adhesives.

Woodhill Permatex
a Loctite Corporation division

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Discount Store News

PMA ®

PRODUCT MOVEMENT AUDIT

Stay-at-Homes

(Continued from page 38)

ft. extension cord outsold the 50-ft. cord as the outdoor season exerted its influence on movement. Sales of these items will be eclipsed later in the year by roof cables and heating tapes, historically strong fall sellers.

Mailboxes also had a good month, holding five of eight top slots on the hardware PMA, evidence once again of springtime consumer interest in fixing up the house.

Smoke Alarms

(Continued from page 36)

$6.88 after the rebate—and there was no real rush."

The same is true in Arkansas, Florida and downtown Chicago.

Zeno Smith, a Magic Mart buyer, said the item had fallen from meteoric heights and become a department staple, while Larry Shapiro said the item had never done well in Florida.

"There are few two-story homes or homes with basements here," the Gold Triangle, divisional merchandise manager said. "We carry two or three sku's, but business is just so-so. It hasn't been a big item in years."

Fear Strikes Out

Fear of fires in the home doesn't seem to keep smoke alarm sales steady at Community Family Centers, in Chicago.

"Sometimes, if the media really play up a big fire we'll see sales start to move, but otherwise our customers have virtually no interest in the category," reported Sam Falato, a buyer for the eight-store chain.

"We've even tried selling them at prices below cost, and in combination deals with fire extinguishers," said a perplexed Falato, "but they just bomb."

Ellman's Year: Biz Up, Net Flat

ATLANTA—Ellman's reported an 11.2% fiscal-year sales gain but flat earnings from its six catalog showrooms.

Sales in the year ended May 3 hit $56,432,000, up $5,681,000 from the $50,750,757 reported for the previous fiscal year.

Net income of $1,326,000 was down 0.9% or $13,000 from $1,338,828 produced in the prior fiscal year.

The cataloger is due to open its seventh showroom this fall. It will be its fifth in the Greater Atlanta market; other units are in Charlotte and Greensboro, N.C.

Hardware Show Section

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Bug Killers And Tool Kits Buck Economy

By Don Petti
President,
Stem Distributing

There were no runaway best sellers this year. The most noticeable trend is that retailers are stepping up promotional product purchases and using sharp pricing to build store traffic. The downturn in the economy has made itself felt both in our business and in the business of our retail customers.

On the bright side, we have found that our customers, anticipating a sales decline last year, bought seasonal goods conservatively and are ending up with respectable (lawn & garden) inventory positions.

In lawn & garden, bug killers sold well. Admittedly, many retailers buy this product direct but we did sell nearly 200 of the item, in a 30-day period, indicating strong retailer interest in a fairly high-ticket item.

Seasonal promoting boosted Biltrite's all-vinyl hose to the top of the list, followed closely by Toro's 51225 Trimmer/Weeder at $28.85 and step-up model at $60. Raid's outdoor Fogger, another seasonal (promotional) favorite also ranked high on the lawn & garden list.

Father's Day promotions built traffic in hardware de-

(Continued on page 49)

HARDWARE

These hardware PMA figures are for the four weeks ended June 20, 1980. They were supplied by Stem Distributing, a division of Cook United, Maple Heights, Ohio, and cover 600 stores, including 480 discount department stores, in 35 states. Average retail prices listed reflect typical price points for discount clients.

PAINT

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	1501 Borden Krylon Gloss Wht 1302	1,548	2.57	3,978.36
2	2766/7792 Rust Gloss Wht 1302	906	3.15	2,853.90
3	2766/7792 Rust Gloss Whit Qt	462	5.21	2,407.02
4	634/7779 Rust Gloss Bl 1302	744	3.15	2,343.60
5	634/7779 Rust Gloss Bl Qt	432	5.21	2,250.72
6	88 Defthane Clr Poly Gloss Gal	120	18.28	2,193.60
7	1601 Borden Krylon Gloss Bl 1302	840	2.54	2,133.60
8	1613 Borden Krylon Semi-Flat Bl	744	2.54	1,889.76
9	2764/7790 Rust Matte Wh Qt	348	5.21	1,813.08
10	1502 Borden Krylon Flat Wh	696	2.54	1,767.84

POWER TOOLS & ACCESSORIES

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	943 Wen 7" Sander Polisher	76	59.81	4,550.12
2	820 Opk Weller 100/140W Soldergun	143	24.22	3,463.44
3	T6601-16 McGraw Ed. 5' Bench Grinder	71	43.89	3,116.19
4	CD 13 PH Allied Drill St. H/S	352	8.79	3,094.08
5	2002 Skil 3/8 Cordless Drill	73	42.11	3,074.03
6	599 Skil Var/Rev Xtra Tool	38	79.77	3,031.26
7	T6742-16 McGraw Ed. ½ Drill Press	25	109.78	2,744.50
8	MD545 Skok ½ Mason Bit	1,090	2.05	2,234.50
9	919 Wen 3" Belt Sander	32	61.55	1,969.60
10	70232 Hanson ½ H/S Bit	350	5.46	1,911.00
11	574 Skil 7½ Circ Saw	24	73.61	1,766.64
12	16 Lenk 25 W Solder. Iron	283	6.23	1,763.09
13	N2336 Wen Power Tool Task Force	17	101.01	1,717.17
14	593 Skil Sand Cat Sander	25	67.48	1,687.00
15	7771 3M Clean/Strip Brush	430	3.89	1,672.70
16	MD245 Skok ½ Mason Bit	1,430	3.41	1,636.80
17	1400 Arco Whizz-Disco W/Pad	480	3.41	1,636.80
18	720 Arco Power Screw Driver Bits	370	4.36	1,613.20
19	1200 Pro-Arc Welder	9	169.94	1,529.46
20	9152 3M 5" Pro & Disc Sand	1,260	1.17	1,474.20

HOME IMPROVEMENT

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	G2420 Garbage Bag H. D. 26 Gal	11,328	2.42	27,413.76
2	36"/736 Screen Wire Alum. 7'	1,498	4.29	6,426.42
3	6' Alum Stepladder Household	152	38.73	5,886.96
4	6 ' Wood Stepladder Special	220	25.69	5,651.80
5	48"/848 Fiberglass Screening 7'	1,312	4.06	5,326.72
6	40061-36-9 Peer Chain Twlp	92	54.36	5,001.12
7	28"/728 Screen Wire Alum 6'	1,364	3.01	4,105.64
8	16' Alum Ext. Ladder	69	57.47	3,966.43
9	5' Wood Step Ladder Special	164	22.26	3,672.90
10	24"/724 Screen Wire Alum 6' 4"	1,390	2.56	3,558.40
11	40303-36-4 Peer Chain Proof	23	146.21	3,362.83
12	Sr-2 Elgar Spline Tool	2,890	1.16	3,352.40
13	36"/836 Fiberglass Screening 7'	1,024	3.16	3,235.84
14	400 50-36-1 Peer Chain Stlk	46	66.15	3,042.90
15	40301-36-9 Peer Chain Prf	28	108.03	3,024.84
16	050/17000 Clear Vinyl Runner 27X175	26	115.87	3,012.62
17	40302-36-1 Peer Chain Prf ¼	21	136.38	2,863.98
18	30"/730 Screen Wire Alum 6' 4"	834	3.22	2,685.48
19	0013 Kindergard Safety Latch Pk	1,301	1.87	2,432.87
20	40048-36-7 Peer Chain Stlnk	49	48.39	2,371.11

(Continued on page 49)

Calendar Of Events

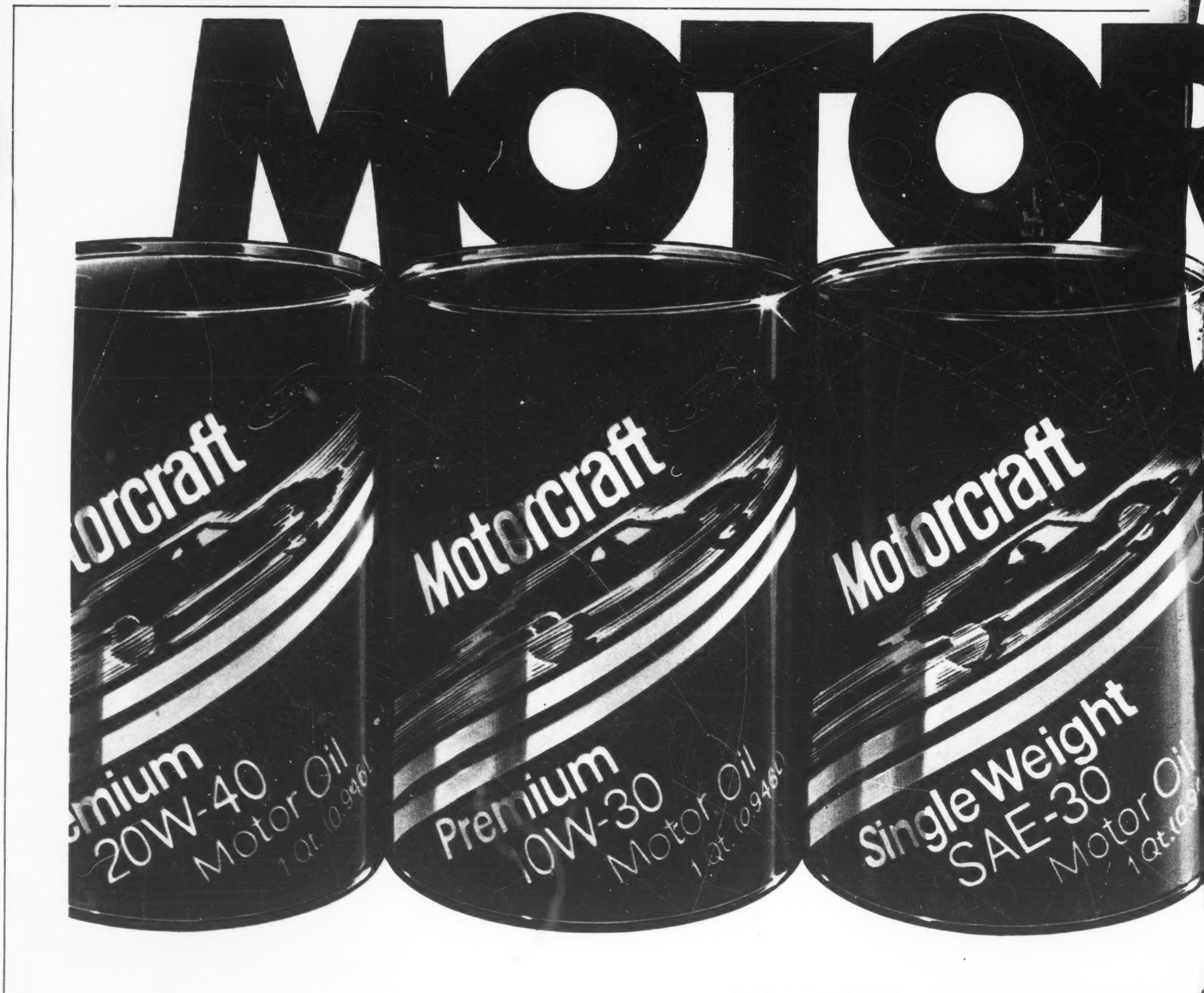
National Hardware Show
McCormick Place, Chicago, Aug. 10-14

National Mass Retailing Institute's Loss Prevention Conference
Dutch Inn, Lake Buena Vista, Fla., Sept. 3-5

Sporting Goods International Show
New York Coliseum, New York, Sept. 27-30

Automotive Parts and Accessories Association
Georgia World Congress Center, Atlanta, Nov. 1-3

National Mass Retailing Institute's Financial Conference
Fairmont Hotel, Philadelphia, Nov. 17-19


MOTOR
Motorcraft
Premium 20W-40 Motor Oil 1 Qt. (0.946 l)
Motorcraft
Premium 10W-30 Motor Oil 1 Qt. (0.946 l)
Motorcraft
Single Weight SAE-30 Motor Oil 1 Qt.

(Psssst...wanna get

Come a little closer and read a little more. Motorcraft is not only announcing a new line of motor oil and automatic transmission fluid, we've got what just might be the best deal you have ever seen to help move these products.

WE'LL GIVE YOU A $1.20 PER CASE ADVERTISING ALLOWANCE. Not bad, huh? It's a special introductory co-op offer that expires August 31, 1980. So you've got to act fast. Plus we'll cover 100% of your space and time costs for all Motorcraft Oil and Automatic Transmission Fluid advertising through the end of the year (up to the limit of the co-op advertising fund).

WE'LL GIVE YOU FREE OIL FILTERS. What an opportunity! Order new Motorcraft Oil and Automatic Transmission Fluid before August 31, 1980, and get our popular Motorcraft FL-1A Oil Filter absolutely free. If you prefer, a special discount plan is available.

WE'LL GIVE YOU FREE SALES AIDS. Every order of Motorcraft Oil and Automatic Transmission Fluid entitles you to free P.O.P. materials, including posters, shelf talkers, can toppers and case cards.

Hardware Show Section

HARDWARE

(Continued from page 48)

LAWN & GARDEN

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	5400 A/Biltrite ½X50 All Vinyl	8,632	3.09	26,672.88
2	51225 Toro Trimmer/Weeder	393	28.85	11,338.05
3	1601 Raid Outdoor Fogger	2,376	3.81	9,052.56
4	51550 Toro Trimmer/Weeder	142	60.61	8,606.62
5	301-301 Amcor Electric Bug Killer	187	42.03	7,859.61
6	51325 Toro Trimmer/Weeder	112	56.70	7,350.40
7	473-C Gilmour Large Zinc Nozzle	2,916	2.13	7,211.08
8	239 Marvin 8" screen Fan	336	19.39	6,515.04
9	SG 6 Temper Hoe	1,416	4.54	6,428.64
10	61 Melnor Rain OSC Sprinkler	1,200	5.14	6,168.00
11	9300 Vil/Blk Grass Trimmer Nyl	325	17.36	5,642.00
12	51250 Toro Trimmer Weeder	127	42.91	5,449.57
13	500-50 Color ½ Vinyl 2-ply Hose	1,480	3.57	5,283.60
14	SL22 Tempr Spring Back Leaf Rack	804	6.51	5,234.04
15	51180 Toro 50' Hose/Reel System	147	34.90	5,130.30
16	1180XS Fletcher Wire 10x18 Fold Fence	1,905	2.67	5,086.35
17	3000 Allen Clothes Dryer Outside	157	30.16	4,735.12
18	1837 Marvin Galv-Screen 18x22	1,296	3.65	4,730.40
19	SSH Temp Gardn Spade D Handle	654	7.15	4,676.10
20	SLR Temp R L & Handle Rnd Pt Shove	738	5.92	4,368.96

HARDWARE

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	LWI Yale Lockset Boxed	900	13.00	11,700.00
2	LW5 Yale Lockset Boxed	887	13.00	11,531.00
3	105C SB Stormking Doorcloser	1,680	5.39	9,055.20
4	SK950 Sec. Pushbutton Latch	650	6.91	4,491.50
5	SK600 Sec. Knob Latch Clos.	7.0	6.27	4,451.70
6	SK15 Sec. Storm Dr. Latch	650	6.27	4,075.50
7	SK 125 Sec. Adjust Hyd Door Clos.	530	7.65	4,054.50
8	SK 85 Sec. Adjust Door Close	780	5.15	4,017.00
9	SK355 Sec. Adjust Door Close	500	7.65	3,825.00
10	1500D Master Padlock Com 6	1,068	3.19	3,406.92
11	500D Master Padlock warded	1,488	2.28	3,392.64
12	1-1 Galv s/City Rual Mail Box	606	5.48	3,320.88
13	SK 125 AC Sec Blk Adjust Hyd Dr. 4	390	7.65	2,983.50
14	A80CG Taylor Night Latch	485	6.11	2,963.35
15	V80 Yale Tumbler-Spring Catch	307	9.14	2,805.98
16	SK90 Sec. Colonial Pushbut Latch	390	7.14	2,784.60
17	30 Master Padlock Tumbler	489	4.94	2,415.66
18	22D Master Padlock Warded	1,260	1.82	2,293.20
19	SK34 Sec Locking Hasp 4½	350	6.27	2,194.50
20	100 Common Nails 1 lb Box	2,350	0.93	2,185.50

PLUMBING

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
1	2125 Keystone Portable Add-A-Shower	365	20.93	7,639.45
2	88TM White Al/Amer Wood Toilet Seat	450	8.05	3,622.25
3	P.M. 3600 Flo Plstic Pump-Pedestal	46	72.49	3,334.08
4	PC 3600 Flo Cast Iron Pump-Pedestal	28	81.01	2,268.28
5	767 U-Plm J-Bend 1½ Chrome	342	5.27	1,802.34
6	766 U-Plm J-Bend 1¼ Chrome	342	4.80	1,641.60
7	SM3000 Flo-Plst Pump-Submersbl	16	102.34	1,637.44
8	760 U-Plm P-Trap 1¼ Bathroom	228	7.02	1,600.56
9	SC3000 Flo Cast Iron Pump-Submrs	13	110.81	1,440.53
10	DMP21HK Flotec Drill Pump	198	7.07	1,399.86
11	B100 Manco Duct Tape 2" x 10 yd	612	2.26	1,383.12
12	102 U-Plm Lav, Supply Tubes 20"	336	4.03	1,354.08
13	50490 Oatey 50/50 SW Soldr. ½16.	204	6.55	1,336.20

(Continued on page 50)

Discount Store News

PMA®

PRODUCT MOVEMENT AUDIT

Bug Killers

(Continued from page 48)

partments; the tool kits that historically perform well then and at Christmas continued to pull their weight.

The Ajax Home Rivet Tool, Kennedy General Usage Kit and Spitfire Home Repair Kit all landed in the top 20 as a result of holiday sales.

Sales of the Bernz TX9 Fuel Cylinder, last year's category leader, dropped from almost 6,000 units during the same period last year to 3,700 this year, putting the item into second place in this year's listing.

Black & Decker products did well.

We have not had a problem getting distribution from B & D and as a result have had

(Continued on page 50)

9-Mo. Pretax Loss Is Cut by FedMart

SAN DIEGO—FedMart's sales for the first three quarters of its fiscal year, ended May 11, 1980, totaled $733.8 million, an increase of 9.6% over the $669.8 million reported in the comparable period a year earlier.

The chain lost $2.1 million (pretax) and $1.6 million (after-tax) for the 36-week period. Its pretax loss was more than $23 million the year before.

Sales for the third quarter increased 3.1% to $237.7 million compared to $230.5 million in the third quarter of the previous year.

FedMart reported a small gain in soft lines sales, reaching 10.3% of total volume for the first three quarters of the latest fiscal year, compared to 9.9% of sales in the previous fiscal year.

Two Future Targets Include First in La.

MINNEAPOLIS—Target has broken ground for two new stores—one in the Houston area and one in Lafayette, La.

The latter will mark the chain's Louisiana debut and is an example of a new expansion policy aimed at medium-sized markets.

Each store will be 100,000 sq. ft. and is scheduled to open in the spring of 1981.

K mart Plans Two

TROY, Mich.—K mart will open, early in 1981, in an old Clarkins store (now closed) at Euclid Avenue and Richmond Road, Euclid, Ohio, and in a strip center now under construction at Garfield and 19 Mile Road, Clinton Township, Mich.

A Kroger superstore will co-anchor the shopping center.

RCRAFT
Motorcraft
Super Premium
10W-40
Motor Oil
1 Qt. (0.946 l)
Motorcraft
DEXRON-II ATF
Automatic Transmission Fluid
1 Qt.
Motorcraft
Ford Type F
Automatic Transmission
Power Steering
1 Qt.

in on a big oil deal?)

On top of all that, you qualify for free oil six-packs, fender covers, hats, jackets, specialty advertising items, P.O.P. materials and more—based on oil and ATF purchases during 1980.

WE'LL GIVE YOU AN OIL WITH THE HIGHEST RATING OF ANY OIL YOU CAN BUY—"SF." No oil has a higher rating than Motorcraft Oil—as defined by the American Petroleum Institute service classification for gasoline engine oils. It's quality protection. The kind of protection car owners need to meet the operating requirements of today's engines. And you can help them get it now.

WE'LL GIVE YOU NATIONAL ADVERTISING SUPPORT. Like all Motorcraft products, our new line of oil is receiving extensive national advertising support. Perhaps you've seen or heard our commercials on television and radio.

The Motorcraft Oil deal is big. And the sales potential can be even bigger. Contact your Motorcraft supplier. Or call us toll-free at 1-800-521-4114. In Michigan, call 1-800-482-4102. We'll help you get in on a big oil deal.

Motorcraft Ford

...FOR SURE

Hardware Show Section

Discount Store News

PMA

PRODUCT MOVEMENT AUDIT

Bug Killers

(Continued from page 49)

product for our customers. It may be we have not had a problem getting supplies because of variables like the softening in the economy or because demand is down in other quarters, but our orders—based on sales projections—were filled.

Top sellers in this category were the ⅜-in. variable speed drill, the 71-055 drill guide and the 27-in. dual height Workmate.

One product area, however, where sales were considerably off was security hardware.

While Yale's boxed locksets, the LW1 and LW5, continued to lead the security hardware category (called home improvement last year) movement dropped sharply, amounting to $11,700 and $11,531, respectively. Master's 500D warded padlock dropped from fourth to 11th place with only 1,488 units sold.

HARDWARE

(Continued from page 49)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
14	5102 Nasco Master Plumber qt	996	1.31	1,304.76
15	U-Plm Toilet Ballcock Complete	240	4.83	1,159.20
16	B600 Manco Duct Tape 2" X 60 yd	214	5.23	1,119.22
17	PB600 Flo Bronze Pump-Pedestal	9	115.12	1,036.08
18	8522-26-1 Perm Ch Towl Bar 24"	138	7.23	997.74
19	100 U-Plm Lav Supply Tubes—12"	360	2.73	982.80
20	F360-115 Volt Flotec Pump System	18	53.69	966.42
	HAND TOOLS			
1	UL100 Bez Propane Blow Torch	1,284	10.13	13,006.92
2	TX9 Bernz Fuel Cyl	3,780	2.85	10,773.00
3	T50 Arrow Staple Gun Chrome	438	17.17	7,520.46
4	385-55-3 Ajax Home Rivet Tool	677	8.82	5,971.14
5	E20S Estwing 200Z Rp Hammer	320	15.28	4,889.60
6	Pl 312 Stan 12′ Powerlok Tape	598	7.82	4,676.36
7	Jt 215 Bernz Torch Kit/Plstic Box	213	21.66	4,613.58
8	Pl ⅜ Stan 16′ Powerlok Tape	453	9.84	4,457.52
9	K20 Kennedy Gen Usage Kit	150	28.22	4,233.00
10	99 Stan Utility Knife	1,572	2.67	4,197.24
11	Pl 425 Stanley Tape 25′ Powerlok	326	12.59	4,104.34
12	Jt21 Arrow Staple Gun	440	8.80	3,872.00
13	35 Mlk T/Tempr 36" Sngl Bit AX	214	17.01	3,640.14
14	ET50 Arrow Electric Staple Gun	121	28.22	3,414.62
15	220D Stan 7" Adjust Block Plane	232	12.46	2,890.72
16	307-01 Spitfire Home Repair Kit	112	24.21	2,711.52
17	HI½A Stanley Hair 16-oz Rip	295	9.17	2,705.15
18	103G Bluebird 10" Strt Snipw	322	8.02	2,582.44
19	PL 12 Stan 12′ Powerlok Tape	407	6.30	2,564.10
20	UN 483 Mays/Ev Gr Nk 48" Level	239	10.67	2,550.13

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
	BLACK & DECKER			
1	7127 ⅜ Var. Speed Drill	2,136	19.76	42,207.36
2	71-055 Drill Guide	1,430	10.01	14,314.30
3	79-009 Workmate 27" Dual Ht.	152	70.57	10,726.64
4	74 04 Sander D61/in	467	18.78	8,770.26
5	7504 Jig Saw D61/Ins	730	11.72	8,555.60
6	7380 7¼ Circ Saw	253	32.05	8,108.65
7	9330 Dust Buster	274	28.53	7,817.22
8	8283 Cordless Grass Shear	278	25.75	7,158.50
9	8124 Shrub Hedge Trim	217	32.39	7,006.93
10	7398 7¼ Circ. Saw	98	66.34	6,501.32
11	8114 13 DBL/Edg Shr/Hedg Trim	238	24.22	5,764.36
12	7390 ⅜ Drill V/S Rev-Lock	195	27.94	5,448.30
13	7035 ½ Drill V/S Rev Trade	122	44.11	5,393.62
14	7204 ½ Drill DBL/Insul	174	27.57	4,797.18
15	7300 5½ Circ Saw	187	24.92	4,660.04
16	79-003 Workmate Single Hgt	75	42.52	3,189.00
17	8216 Lawn Edger	46	50.27	2,312.42
18	7104 ⅜ Drill D6L/Insl.	144	14.59	2,100.95
19	8209 H/D Grass Trim Nylon Line	46	44.66	2,054.36
20	7530 Jigsaw 2 speed	104	18.51	1,925.04
	PAINT ACCESSORIES			
1	4011 WD-40 Rust Prevent. 902	5,982	2.15	12,667.80
2	938-Tap-90 EZ 3 Pc Paint Set	3,780	2.54	9,601.20
3	MC11 Clear Maceo Multi Ad/Seal	2,688	3.26	8,762.88
4	584/PKI/PM10 Mask Tape ¾x60 yd	7,632	0.66	5,037.12
5	409-TTA-90 EZ 9" Twin Pak Covers	5,496	0.86	4,726.56
6	G322-40-73 EZ 4" Promo Brush	1,512	2.96	4,490.64
7	40015 WD40 Mult-Use Lub.	1,668	2.46	4,103.28
8	1304S/G 104-AO-73 EZ 4Pc Brush Set	2,160	1.83	3,952.80
9	Tex 105 Webster 9x12 Drp. Cloth	9,216	0.40	3,686.40

(Continued on page 51)

Plastic Parts Elbow Further Into Plumbing

Nationwide DSN Report

Discounters are following an increasing number of consumers who are leaning away from metal and discovering the advantages of plastic parts for use in plumbing.

In the last year, major chains such as Zayre and Pamida have either introduced or substantially increased the percentage of plastic parts in their plumbing supplies mix.

Woolco, for example, reported that the percentage of plastic parts is up to 65% and still growing.

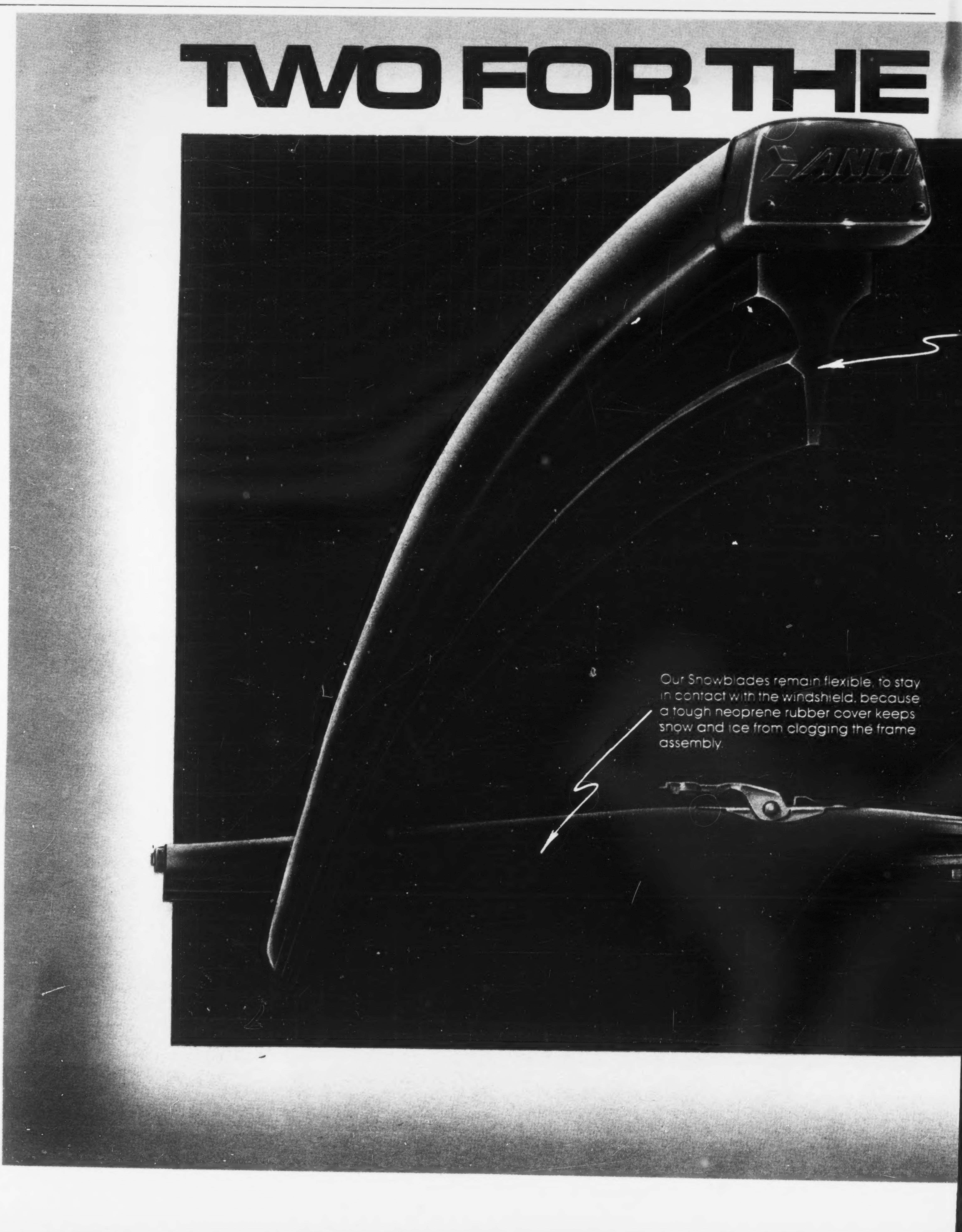
More Chains May Join Up

Meanwhile, even major chains that have thus far stayed away from plastic parts—discounters such as Rose's, Gibson and others—say they may change their mix in favor of plastic as early as next year if they are impressed with what they see at the hardware show.

The only exception to the trend toward plastic, however, appears to be sink faucets, which are priced about 10% less than the metal ones. Many dealers say they are interested in stocking them; but buyers at Woolco, Gibson's and Pamida say they are concerned about possible public resistance to parts that have traditionally been made of metal and are holding off for the time being.

One of the chief advantages to the plastic pipes, elbows and other parts, buyers said, is their price. Chains have re-

(Continued on page 51)



TWO FOR THE
Our Snowblades remain flexible, to stay in contact with the windshield, because a tough neoprene rubber cover keeps snow and ice from clogging the frame assembly.

Hardware Show Section

HARDWARE

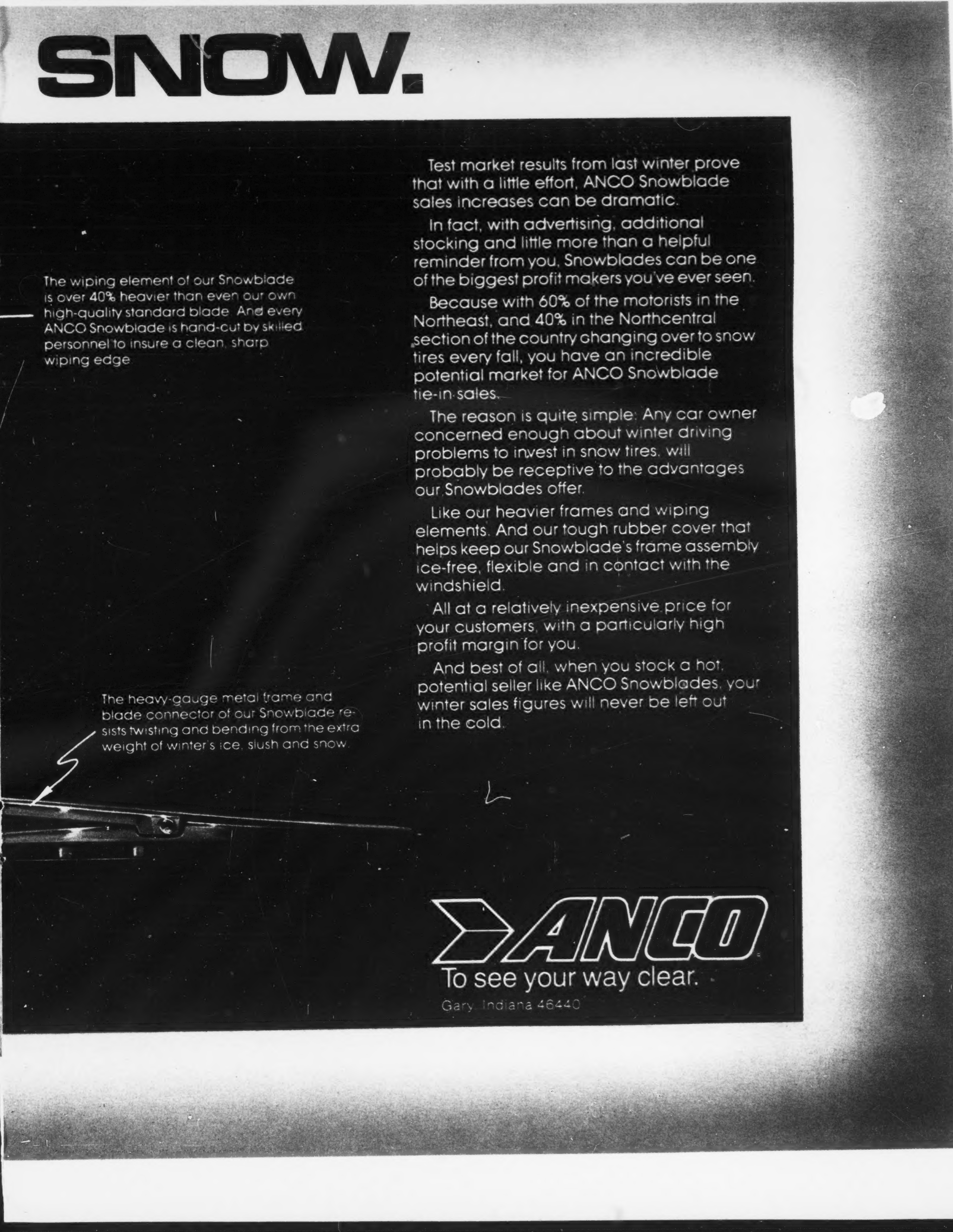
(Continued from page 50)

$ Rank	Item	Unit Movement	Average $ Retail	Total $ Movement
10	P786/2061/330 11" Mask Tape	2,700	1.35	3,645.00
11	P786/2061/330 2" Mask Tape	1,344	2.69	3,615.36
12	P786/2061/330 1½" Mask Tape	1,776	2.01	3,569.76
13	01103 Savo PT/Remvr Paste Strypee	356	9.92	3,531.52
14	LN601S Amcco Liq. Nail Adh.	2,592	1.35	3,499.20
15	500-092 EZ 9" Roller Frame	1,416	2.00	2,832.00
ELECTRICAL				
1	3302-100' 16/3 Rd Cord-Ext/out	451	17.29	7,797.79
2	3327 25' 16/3 Rd Cord Ext/out	804	6.09	4,896.36
3	3101 100' 16/2 Rd Cord Ext/out	277	15.09	4,179.93
4	SLC 200 Elek-Pak Security Lite	138	25.22	3,480.36
5	U100 Aliance Tena-Roto Automt	51	60.01	3,060.51
6	D4101 Am/Tack Switchble Plate	8	284.78	2,278.24
7	DR600PC Lutr U1 Dimr Push on/off	350	6.13	2,145.50
8	03791 ABCO 7C7 Nite Lite	2,480	0.79	1,959.20
9	DR600RC Lutron U1 Rotary Dimmer	335	5.02	1,681.70
10	270-75' 16/3 Rd Cord Ext-out	105	15.19	1,594.95
11	P220 Manco ¾x66 Vinyl Elec Tape	1,056	1.44	1,520.64
12	4484/D225 25' Trbllite Pls Grd	226	6.44	1,455.44
13	100 Colton EZ Cord Ext Cord Holder	600	2.19	1,314.00
14	4170/151-6-8 ½ Clamp on light	228	5.76	1,313.28
15	AP15 Power Prod VND-Cabinet Lite	145	8.65	1,254.25
16	4465/681 25' Trbl Lite Mtl Grd.	132	9.45	1,247.40
17	3051-50' 18/2 Rd Cord-Ext/out	180	6.84	1,231.20
18	Per-12 Hemco Appl Roller-Econony	252	7.60	1,915.20
19	XL15 OUL Thyrocon Socket Dimmer	170	6.72	1,142.40
20	03792 ABCO 7C7 Nite Lite Wh	1,360	0.79	1,074.40

Source: Stem Distributing

PLUMBING REPAIR
KIRKHILL INC

Jefferson is one of many discounters that have responded to consumer demand for easier-to-handle plumbing parts with an assortment of plastic fittings, as in Fort Myers, Fla., store. *(DSN photo)*


SNOW.

The wiping element of our Snowblade is over 40% heavier than even our own high-quality standard blade. And every ANCO Snowblade is hand-cut by skilled personnel to insure a clean, sharp wiping edge.

The heavy-gauge metal frame and blade connector of our Snowblade resists twisting and bending from the extra weight of winter's ice, slush and snow.

Test market results from last winter prove that with a little effort, ANCO Snowblade sales increases can be dramatic.

In fact, with advertising, additional stocking and little more than a helpful reminder from you, Snowblades can be one of the biggest profit makers you've ever seen.

Because with 60% of the motorists in the Northeast, and 40% in the Northcentral section of the country changing over to snow tires every fall, you have an incredible potential market for ANCO Snowblade tie-in sales.

The reason is quite simple: Any car owner concerned enough about winter driving problems to invest in snow tires, will probably be receptive to the advantages our Snowblades offer.

Like our heavier frames and wiping elements. And our tough rubber cover that helps keep our Snowblade's frame assembly ice-free, flexible and in contact with the windshield.

All at a relatively inexpensive price for your customers, with a particularly high profit margin for you.

And best of all, when you stock a hot, potential seller like ANCO Snowblades, your winter sales figures will never be left out in the cold.

ANCO
To see your way clear.
Gary, Indiana 46440

Plastic Parts

(Continued from page 50)

ported plastic items to average about 10% to 15% less than their metal counterparts, and a Pamida spokesman said some plastic parts run as much as 50% less than metal.

But more importantly, buyers say the ease of using plastic pipes has been attracting more do-it-yourselfers, who were previously frightened by the welding and fitting needed to install metal equipment.

One Woolco buyer pointed out that many of the plastic pipes can easily be bent to fit around corners and then cut with a sharp knife to an exact length. In addition, he said, ends can either be snapped together or glued, depending on the pipe

Still, the ease of installation has not replaced all the initial consumer resistance to the product.

Image Could Be Better

Buyers at many chains reported customers continue to believe either that the plastic parts are weaker than the metal ones or that the plastic will give water a poor taste.

While most discounters surveyed agreed the lower cost of plastic was also helping to outweigh some of the resistance, a Zayre buyer said that might not always be the case.

Both plastic and metals are commodities that suffer frequent price fluctuation, he said, adding that as the cost of oil—a main ingredient of plastic—continues to increase, the material may no longer hold a price advantage over metal.

Officials at Caldor, however, said they are not frightened at the possible future reverses in price, and the company will add its name to the list of those already selling plastic plumbing items this fall. Caldor, however, will sell only small items and not the lengths of pipe stocked by other chains, a buyer said.

"We feel we've been loosing business because we do not stock plastic parts," explained a buyer for the chain. "People have been coming in our stores and leaving when they find out all we have is metal."

9/23/80 C5150-203

Automotive PMA: Pp. 8-10

Discount Store News

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

VOL. 19, NO. 17

Published Biweekly, Every Other Monday, Monthly in December, by Lebhar-Friedman Inc.

$1.75 a copy
AUGUST 25, 1980

Will Be Conversions to Jefferson Ward Format

Ward Leaps In! Plans 115 More Discount Stores

By Chris Haggerty

Montgomery Ward is converting 115 of its stores in the East and Midwest to the discount format of the Jefferson Ward stores. The conversions will take place over the next three years.

The announcement came in the wake of first-half losses reported at $82 million, and is one of a series of steps the chain will take to boost profits and streamline operations, according to E. S. Donnell, Ward chairman and ceo.

These conversions, he noted, will occur in areas where the company feels its Jefferson stores have a better future than traditional Ward stores.

A restructuring of Ward retail field operations was also announced. Supervision of 310 Ward retail stores, which are principally located in metropolitan areas, will be centralized at the chain's Chicago headquarters, and the staff functions of the three present regional offices in Chicago, Dallas and Oakland will be eliminated.

A separate organization will be established to supervise the conversion of Ward stores to the Jefferson Ward format. Upon completion these units will be transferred to Jefferson Ward management under David H. Kenny, senior vice president of Ward and president of Jefferson Stores.

As Ward management was planning the future of its Jefferson Ward stores, it also decided to expand its fashion impact program to revitalize its remaining conventional stores, according to sources close to the chain.

The new program, now labeled the merchandise impact program, will take the same design concepts used in the fashion impact program (see DSN, Aug. 11, 1980, p. 3) and extend them over the entire store layout and presentation.

As previously reported by DSN, the fashion impact program has already given a facelift to the apparel, cosmetics and jewelry departments at 18 stores in the Baltimore/Washington, D.C. and Ohio/Michigan markets. (See photos, pp. 12-13.) The 1980 program began this January and follows similar design techniques used in the Jefferson Ward prototypes.

Under the original fashion impact program, 46 stores in the Dallas/Fort Worth and northern California markets were to be converted. The remaining 28 stores will now be plugged into the merchandise impact program, along with other conventional Ward stores in targeted Southwest and West Coast markets.

"The new program will allow selected Ward stores in major metro markets to go after a more affluent, fashion-oriented

(Continued on page 18)

Changes in presentation made under Ward's fashion impact program at this Toledo store are similar to those found in the Jefferson Ward discount format. The Toledo market may be among those in line for the creation of more Jefferson Wards. *(DSN photo)*

Economy Reviving; Strong Christmas Would Cause a Scramble For Goods

Nationwide DSN Report

Discounters may have to change their thinking on Christmas 1980.

It's too soon to tell, but with the leading economic indicators coming back to life—consumer debt levels receding (by $3.46 billion in June alone), building permit issuances increasing and layoffs slowing—a good Christmas may be more than wishful thinking.

That would leave discounters—who spent the first half streamlining their inventories—scrambling for products to sell to now-more-liquid consumers who, as always, would rather sacrifice anything but Christmas.

"We'd be in trouble if Christmas really took off," reported Frank Shanower, Fishers Big Wheel vice president and general merchandise manager, "but we don't expect that to happen." For example: "We've probably bought only 55% to 75% of the fashion merchandise we bought last year.

"If we have to scramble for goods we would pay for it with the dollars we just made off of sold goods." Describing the country from Pittsburgh to Chicago as the "Devastation Belt," he added: "Right now, getting the goods isn't our problem; sales are."

At Woolco, the predictions made by Jerry Evans, corporate vice president, merchandise, were more upbeat.

"If Christmas sales should increase in excess of our plans we'd be able to take care of it," he said. "We may not get the electronic game that is red-hot this year, but we'd get a second one. There's never been a time when we haven't been able to get what we need." He summed

(Continued on page 22)

Toy Buyers to Play Up Basic Sellers For Yule

Nationwide DSN Report

In preparation for Christmas, toy buyers have trimmed their selections down to sure sellers, placing their dollars on the more dependable (and more profitable) year-round basics.

Basics are seen dominating trim-a-tree. Story, p. 11.

This meant taking a cold, hard look at TV toys, where high tickets (up 10% to 12% from last year) have been discouraging consumer purchases.

"We saw reluctance to high-ticket items last Christmas," said Bob Kuhns, buyer at Heck's. "This year, we've shied away from TV toys priced over $15. The play value just isn't there for the consumer. And this year they'd rather buy four or five less-expensive toys than put all their money into one or two TV toys."

"People are trading down this Christmas because of the recession," said T.G. & Y. buyer Nick Jung. "This season is a question mark. We're not going to be as aggressive with TV toys as we have been in the past. We will still back up the major TV toy companies, but not in the depth we once did." Jung, who buys the boys' toys section, decided to drop 25 to 30 sku's.

Electronic games is one category sharply affected by this shift away from TV toys. "Be-

(Continued on page 21)

Korvettes' Future is Cloudy—P. 3

Hills, Cheektowaga, N.Y., devotes two gondola runs to preschool toys. This high-ranking basic category attracted increased inventory dollars from buyers this year. *(DSN photo)*

Indictments of 2 at Jamesway Are Dismissed

NORWICH, N.Y.—Indictments charging two Jamesway employees with extortion have been dismissed by a Chenango County Court judge here.

The indictments were dismissed by a local magistrate who judged that the very wording of the indictments indicated the grand jury may not have had sufficient legal foundation to hand them up.

In addition, the judge stated the conduct of the Jamesway employees was such that they could have believed that their actions were justified and proper, and consequently wholly legal.

Similar investigations of alleged extortion practices are still under way in New York and New Jersey. According to the (New Jersey) state attorney as-

(Continued on page 21)

Woolworth/Woolco Spurs J. Brannam and Takeovers

Opens 15 Apparel Stores in One Day

HOUSTON—Woolco took this town and two others by storm earlier this month opening a record 15 J. Brannam units in a single day—Aug. 13.

The openings—10 here, one in Kansas City, Kan., and four in Kansas City, Mo.—completed this year's expansion plans, bringing the 27-unit chain a step closer to its projected 45 units by 1981, and 100 by 1984.

Of the 15 stores just opened, nine conformed to the original mold and were "cut-downs"—25,000-sq.-ft. stores carved out of existing Woolco units, according to D. Rowlett, general manager for the chain. Five others, all of them in Houston, are newly built freestanding units also averaging 25,000 sq. ft. One of the Kansas City, Mo., units was converted from a Woolworth store.

"That's the way we chose to enter a market," said Rowlett, reiterating what Woolworth chairman Edward F. Gibbons had told stock analysts earlier this year: "We have an ability to make an immediate impact on a market by opening several stores in a matter of days with relatively small capital, advertising and administrative costs per unit."

Put another way, Woolworth/Woolco is using the J. Brannam units to make the adjoining Woolco stores more profitable by forcing the discounter to make better use of the cube.

Rowlett and other chain spokesmen said the trade-off stops there. "The Brannam stores have not taken away any of the Woolco apparel business," Rowlett noted, "because they serve a different wearable customer." Brannam customers tend to be department store shoppers looking for the more sharply priced—but branded—goods the chain is carrying, he said.

(Continued on page 7)

FTC Confirms Investigation Of Satisfaction Guarantees

WASHINGTON—The Federal Trade Commission is investigating to determine whether five mass merchandisers—including K mart, Woolworth and Korvettes—have failed to make good on "satisfaction guaranteed" claims.

FTC officials did not announce the investigation, but confirmed that one was in progress at presstime, after the three discounters and Sears and Montgomery Ward moved to legally block FTC subpoenas for information.

A spokesman for the Woolworth Co. said the investigation is "without substance," and motions filed with the FTC to block the subpoenas asked the Federal agency to disclose any complaints.

Woolworth argued that over the past five years it has received few complaints about its money-back policy and that in 1979 it made a total of seven million refunds totaling $89 million.

A spokesman for K mart issued a brief statement saying that it had supplied the FTC with some documents but that it was seeking to quash additional requests.

The nation's largest retailer, Sears, argued in its motion that to comply with the request for information "would require thousands of man hours and would significantly disrupt the normal operations of 3,500 Sears units throughout the country."

It said the Government's request was "particularly burdensome at this time in view of the current adverse economic situation prevailing throughout the country."

At Ward, officials said they were told of the agency's probe last August and formally called for an end to the probe several weeks ago. A spokesman noted that its "satisfaction guaranteed" pledge has been carried in the company's catalog since 1875.

J. Brannam brought the same off-price apparel merchandising techniques unveiled in Dallas (above) to 15 new stores in Houston, Kansas City, Kan., and Kansas City, Mo. *(DSN photo)*

Canadian Woolcos Will Operate Men's And Boys' Sections

TORONTO—F. W. Woolworth has taken another step toward edging out second-party assistance from all Woolco store operations.

The chain will take over the men's and boys' wear departments in Woolco stores in Canada, ending a decade-long association between its Canadian subsidiary and the Grafton Group, a Woolworth spokesman said.

Grafton Group, an apparel concern, currently sells men's and boys' clothing in 105 Woolco stores in Canada. Sales from these so-called licensed departments accounted for $103.7 million (Canadian) of Grafton's $240.7 million sales in the fiscal year ended Jan. 31.

Woolworth officials informed Grafton that Woolworth plans to operate the departments in all new Woolco stores in Canada, and that licenses on exist-

(Continued on page 18)

N.Y. Unit to Be 1st Outside of Nashville

Service Mdse. Sets Distribution Center

NASHVILLE—Service Merchandise will open a 165,000-sq.-ft. distribution center in Central Valley, N.Y., this fall in an effort to reduce distribution costs and as a test of a possible network of such facilities across the country.

The facility will be the first distribution center outside of Nashville—where Service Merchandise has four warehouses—and is designed to service 45 to 50 showrooms in the New England and Middle Atlantic States area where the cataloger currently has about three dozen units.

The cataloger also revealed the planned opening of its second showroom in Birmingham, Ala., and reported higher sales but a drop in income for the quarter and half year ended June 30.

The new Birmingham showroom will be in the former two-story 95,000-sq.-ft. Pizitz Department Store in the Eastwood Mall. The cataloger will use one 47,500-sq.-ft. level as a showroom and the other as a stockroom.

Service Merchandise's sales in the quarter went up 16.1% to $179,526,000 from $154,688,000, but the increase was under the gain reported for the half year.

Six-month sales of $310,260,000 were up 24.8% from $248,687,000.

The sales gain slowdown was also evident from same-store volume gains, which were 10.2% in the half year but 4.7% in the quarter.

The income decline saw earnings in the half year drop 19.1% to $3,034,000 from $3,750,000, and go down 7.6% in the quarter to $4,008,000 from $4,338,000.

Raymond Zimmerman, in a letter to stockholders, cited higher interest rates, a big jump in interest payments—$10,807,000 in the six months against $6,172,000 last year—and higher distribution costs for both equipment and fuel.

The new distribution center is expected to reduce distribution costs in the Northeast, the one region where sales were strong in the second quarter, Zimmerman said. Sales in the South and Midwest were "relatively soft," he noted.

The Central Valley facility will be used as a transfer point for merchandise shipped from the cataloger's warehouses in Nashville and for goods drop-shipped to the center by manu-

(Continued on page 14)

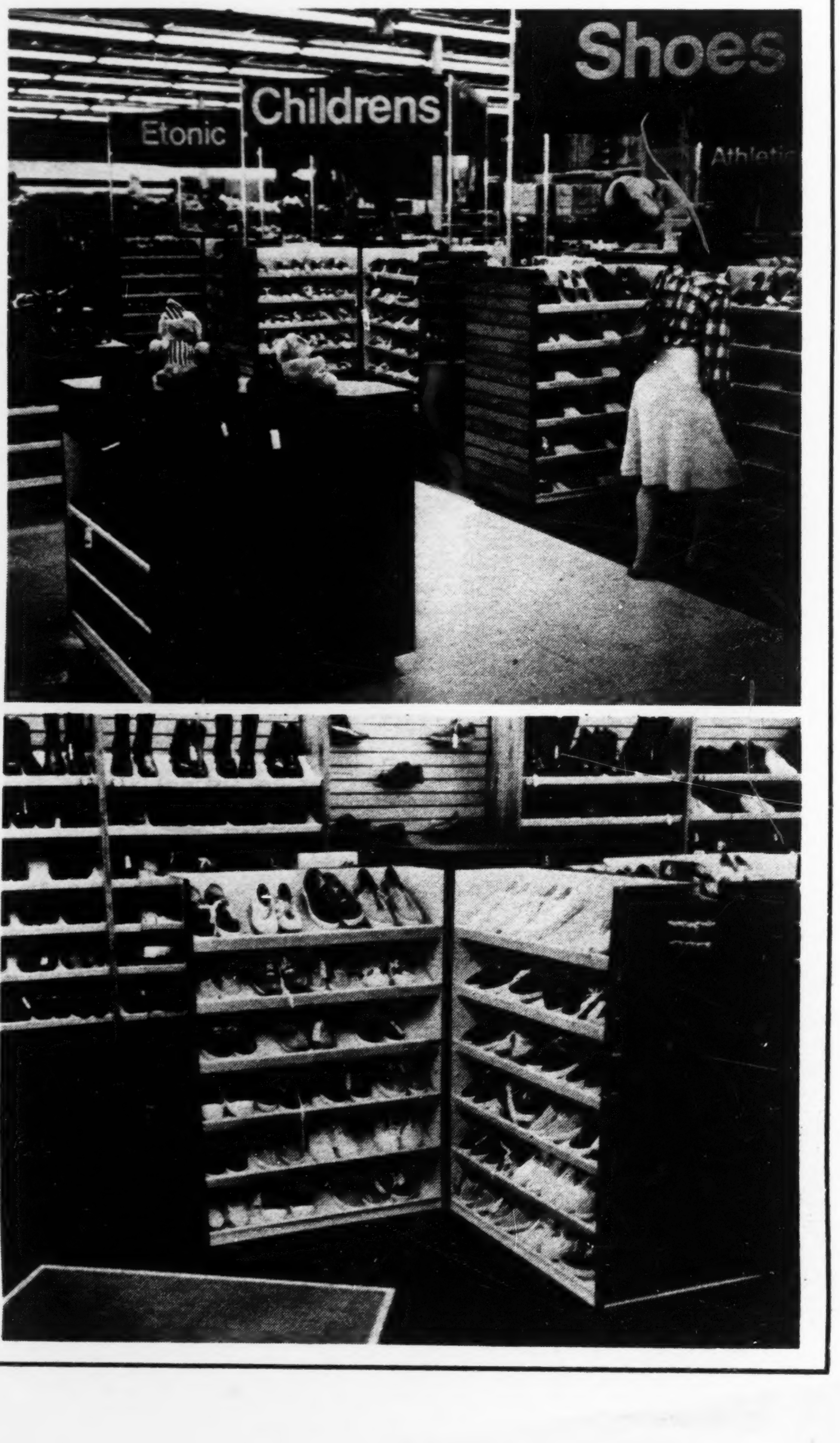
Spotlight on: Footwear

Barkers' Lessee Creates Upscale Shoeplace

Barkers' shoe lessee, Morton Shoes, has installed this upscale presentation in the chain's Ossining, N.Y., store. Along the racetrack aisle in the back of the store, the department uses fashion presentations of the latest goods to draw shoppers into the carpeted department.

Cube fixtures in the aisle maximize the exposure of the most fashionable merchandise. Signs make it easy to locate the different sections within the department, and promote well-known brands like Etonic, Converse and Snoopy children's lines.

Inside the department, shoes are displayed by size to make it more convenient for the customer. Mirrored ends on the fixtures dress up the department and provide an easy way for the customer to examine the shoes on her feet. The rear wall of the department goes high with leather goods. See the next issue of DSN for a shoe merchandising story on this new trend and others.



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DISCOUNT STORE NEWS (USPS 123-910, 123-890, 123-870, 109-230; ISSN 0012-3587), is published biweekly—every other Monday, monthly in December—by Lebhar-Friedman Inc., 425 Park Ave., New York, N.Y. 10022. Subscription rates: *Retailers and wholesalers*—one year, $5.50; two years, $8.50; three years; $10.50. Canada: one year, $6.50; two years, $10.50; three years, $13.50. *Manufacturers, schools, libraries and all others*—one year, $12; Canada: one year, $13; *All subscribers elsewhere*, $35 a year. Single copy rate, $1.75, except annual census issue, $20.

Controlled circulation postage paid at New York, N.Y.; Boston, Mass., and Chicago, Ill.

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Vol. 19, No. 17 August 25, 1980